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BERMUDA HOUSE OF ASSEMBLY
OFFICIAL HANSARD REPORT

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

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BERMUDA HOUSE OF ASSEMBLY**OFFICIAL HANSARD REPORT****14 DECEMBER 2018****10:04 AM***Sitting Number 6 of the 2018/19 Session**[Hon. Dennis P. Lister, Jr., Speaker, in the Chair]***PRAYERS***[Prayers read by Mrs. Shernette Wolffe, Clerk]***The Speaker:** Good morning, Members.*[Gavel]***CONFIRMATION OF MINUTES***[Minutes of 7 December 2018]***The Speaker:** Good morning, Members.

The Minutes from the 7th of December have been circulated. Are there any omissions or corrections required?

There are none. The Minutes are confirmed as printed.

*[Minutes of 7 December 2018 confirmed]***MESSAGES FROM THE GOVERNOR****The Speaker:** There are none.**ANNOUNCEMENTS BY THE SPEAKER OR MEMBER PRESIDING****The Speaker:** Members, I have three announcements this morning.**MOMENT OF SILENCE***[In memory of Honourable Clarence R. Terceira]*

The Speaker: The first is that I am going to ask you all to join with me as we stand for a moment of silence for the passing of one of our former Members, the Honourable Clarence "Tess" Terceira.

If you will join me at this moment as we stand for a moment of condolences.

*[The House rose and observed a moment of silence.]***The Speaker:** Thank you, Members.**APOLOGIES**

The Speaker: The other announcement is that we have been informed of Members who will be absent today. Included in this are the Honourable Michael Scott, the Honourable Ben Smith, the Honourable Jamahl Simmons and the Honourable Member Renee Ming (who is actually absent due to the passing of her uncle, who will be funeralised today).

And so, we would like to extend our condolences to her on the passing of her uncle, Mr. Phillip Anderson.

ANNUAL REPORT OF THE AUDITOR GENERAL ON THE WORK OF THE OFFICE OF THE AUDITOR GENERAL FOR THE YEARS ENDED MARCH 31, 2011 TO MARCH 31, 2017

The Speaker: The next announcement this morning from the Speaker is that I have received the Annual Report of the Auditor General on the Work of the Office of the Auditor General for the years ended March 31, 2011 to March 31, 2017. The report is tabled for the House.

GIFTS

The Speaker: Members and Ministers, you may find that, yes, it is Christmas season. So, you will find a little red package on your desk there. It is a book entitled *How to be a Minister*. There was supposed to be one for everyone. And the other was for Backbenchers, *How to be a Backbencher*. But, somehow, Santa Claus got a little delayed in the delivery of the others.

[Laughter]

The Speaker: So, for those that arrived, they are on the desks for the Ministers. And the Backbenchers will get theirs at a later date when they do arrive.

Have fun reading, Ministers!

Some Hon. Members: Thank you! Thank you, Mr. Speaker.

The Speaker: Yes.

MESSAGES FROM THE SENATE

The Speaker: There are none.

PAPERS AND OTHER COMMUNICATIONS TO THE HOUSE

The Speaker: There are some five papers to be tabled this morning. And the first is in the name of the Minister of Finance.
Minister.

FINANCIAL STATEMENT OF THE CONSOLIDATED FUND FOR MARCH 31, 2018

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

I have the honour to attach and submit for the information of the Honourable House of Assembly the Financial Statement of the Consolidated Fund for March 31, 2018.

The Speaker: Thank you. Thank you, Minister.
The next is in the name of the Minister of Health.
Minister.

FINANCIAL INTELLIGENCE AGENCY AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDING MARCH 31, 2016, AND MARCH 31, 2017

Hon. Kim N. Wilson: I have the honour to attach and submit for the information of the Honourable House of Assembly the Financial Intelligence Agency Audited Financial Statements for the Years Ending March 31, 2016 and March 31, 2017.

The Speaker: Thank you, Minister.
The next is in the name of the Minister of Works. I believe, Minister of Works, you have three.

KINGS WHARF: CRUISE FACILITY IMPROVEMENTS REPORT

WEST END DEVELOPMENT CORPORATION ANNUAL REPORT 2016 AND 2017

BERMUDA LAND DEVELOPMENT COMPANY LIMITED AUDITED FINANCIAL STATEMENTS 2010, 2011 AND 2012

BERMUDA LAND DEVELOPMENT COMPANY LIMITED REPORT ON OPERATIONS FOR 2010 AND 2011, AND 2012 TO 2017

Lt. Col. Hon. David A. Burch: Yes, Mr. Speaker.
Good morning.

I have the honour to attach and submit for the information of the Honourable House of Assembly the following:

- Kings Wharf: Cruise Facility Improvements, a report dated 2014 (I think it is coming in electronically);
 - West End Development Corporation Annual Report 2016 and 2017; and
 - Bermuda Land Development Company Limited Audited Financial Statements 2010, 2011 and 2012; and
 - Bermuda Land Development Company Limited Report on Operations for 2010 and 2011, and 2012 to 2017.
- Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.
There are no further papers or communications.

PETITIONS

The Speaker: There are none.

STATEMENTS BY MINISTERS AND JUNIOR MINISTERS

The Speaker: I believe we have some six Statements this morning. And the first two this morning are in the name of the Minister of Finance.

Minister, would you like to present your Statements at this point?

Hon. Curtis L. Dickinson: Yes, sir. Thank you.

CONSOLIDATED FUND FINANCIAL STATEMENTS 2018

Hon. Curtis L. Dickinson: Mr. Speaker, my first Statement relates to the [Consolidated Fund Financial Statements for 2018](#).

Mr. Speaker, I rise today to advise Honourable Members of the completion of the audit of the Consolidated Fund [the Fund] Financial Statements for the year ended March 31, 2018, which were tabled in this Honourable House today.

As Honourable Members are aware, the Consolidated Fund is the general operating fund of the Bermuda Government and is the Fund through which Government conducts the majority of its transactions. The Consolidated Fund's financial statements report the financial position, operations, change in net debt and cash flows resulting from the activities of the Government. This includes the accounts of the Senate, the House of Assembly, all Government departments and offices, and all courts.

Mr. Speaker, I am disappointed to report that the Auditor General gave a 'qualified' audit opinion on

the 2017/18 annual accounts of the Consolidated Fund of the Government. The Consolidated Fund has previously received an “unqualified” opinion each year since March 31, 2013. The two bases for the qualified audit opinion are as follows: (1) Sufficient and appropriate audit evidence was not provided to support the accuracy and completeness of \$10.3 million of capital development expenditures incurred during the year; and (2) A validation process for the payroll tax returns, which is used to provide assurance on the reasonableness of payroll taxes received, was not completed prior to the completion of the audit fieldwork.

Mr. Speaker, regarding the Auditor General’s capital expenditures qualification, Honourable Members are advised that the concerns specifically relate to amounts reported for Assets Under Construction on the Statement of Financial Position and capital expenditures. The approximately \$10 million, in the view of the Ministry of Finance, does not cause the audited financial statements to be misleading to users. The inability of the Auditor General to obtain sufficient evidence to support this amount is not indicative of a lack of existence of the support, but the inability by Government to provide it in a manner timely enough to meet the Government’s reporting deadline.

In relation to the Auditor General’s payroll tax and related accounts receivable qualification, Honourable Members are advised that these line items are reported on the Statement of Operations and Accumulated Deficit, and the Statement of Financial Position, respectively. It is noted that, as [payroll taxes are] the largest individual contributor to Government’s revenues, at \$457 million (of \$1.1 billion total revenue for the year), the auditor was unable to gain comfort with only a portion of the fourth quarter payroll taxes being verified due to the ongoing returns validation process by the Office of the Tax Commissioner.

Mr. Speaker, Honourable Members are aware that in the 2017/18 Budget, the former Government reformed the payroll tax system to provide progressivity in the employee portion of the payroll tax. The implementation of this reform was delayed from April to July 2017, to allow employers to gain a better understanding of the reform and to undertake and complete the various tasks needed for proper implementation. Despite this delay, some employers still submitted payroll tax returns with various errors. Due to the aforementioned and the manual nature of the validation process, this work was not able to be completed in time to meet the Government’s reporting deadline.

Honourable Members are advised that the full year’s validations were completed subsequent to the Government’s reporting deadline, and the results indicate that the reported payroll taxes are in line with numbers reported in the Consolidated Fund Financial Statements. Again, it is the view of the Ministry of Finance that the payroll tax revenue and corresponding accounts receivable reported do not cause the audited financial statements to be misleading to users.

Mr. Speaker, certain private debt placements made by the Government contain a reporting covenant requiring delivery of the audited financial statements within 240 days of the fiscal year end [November 26, 2018], and I can report that this reporting covenant was met. Mr. Speaker, the Government could have avoided the above-mentioned qualification by delaying the audit and allowing the Auditor General to gain comfort with the items leading to the qualified audit opinion. However, this would have caused the Government to be in breach with our reporting covenant in our private placement agreements.

Honourable Members are advised that the total penalty fees paid to Bermuda’s private placement noteholders as a result of the Bermuda Government’s financials being submitted late for the years 2015 and 2016 are as follows: For 2015, \$410,000; for 2016, \$640,000. After carefully considering this matter, I, as Minister of Finance, decided that it was prudent to accept the qualification rather than to unnecessarily spend taxpayer funds to our private placement noteholders.

Mr. Speaker, the Government will work with the Auditor General and take the required steps to ensure that these qualifications are removed in the future.

Mr. Speaker, under the Audit Act 1990, section 6(1)(b), the Auditor General is able to include in her report any other comments she considers appropriate. Accordingly, the Auditor General, for the eighth consecutive year, has included explanatory paragraphs as “other matters” which she deems appropriate. These other matters relate to the following: (1) the increased level of the net debt and the need for the Government of Bermuda to take concerted action to address it; and (2) the preparation of [Summary] Financial Statements for the Bermuda Government.

It is important to note that these explanatory paragraphs do not alter the Auditor General’s opinion, but are highlighted matters. However, the Government shares the Auditor’s concerns in these areas and has already started to tackle these matters. For instance, Mr. Speaker, the Ministry of Finance has already put in place a plan to eliminate the deficit and, ultimately, reduce the debt.

Mr. Speaker, liabilities related to pension and other employee future benefits are also included in the net debt amount disclosed in the Financial Statements, and the Government has already started the review of these benefits to ensure their sustainability.

Mr. Speaker, with regard to the preparation of Summary Financial Statements for the Bermuda Government, the Ministry agrees that there are benefits to issuing consolidated financial statements. However, Honourable Members are advised that there are other associated issues that need first to be addressed before proper consolidation can take place, and the Ministry notes that it would be prudent to have all of the audits of public authorities current to ensure that the

Summary Financial Statements are not misrepresented to users.

The audit report date is November 19, 2018. Mr. Speaker, financial highlights of the 2018 Consolidated Fund Financial Statements show that revenues exceeded budget projections, and spending was below original budget estimates, resulting in the fiscal outcome, on all measures, better than forecast.

Mr. Speaker, the Ministry will be providing full commentary on the actual fiscal performance for 2017/18 in the Pre-Budget Report in Advance of Fiscal 2019/20 numbers; therefore, I do not propose to go into detailed highlights at this time. Meanwhile, Mr. Speaker, the Statements of the Consolidated Fund provide valuable information on the financial position of the Government, and I would encourage the public to examine these Statements. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Would you like to continue with your second Statement?

Hon. Curtis L. Dickinson: Yes, please.

The Speaker: Go right ahead.

INTERNATIONAL LAW FIRMS IN BERMUDA— LICENCE CONDITIONS

Hon. Curtis L. Dickinson: Mr. Speaker, I am pleased to give this Statement today to update this Honourable House and the listening public on the Government's intention to allow [international law firms](#) to have a presence in Bermuda. Honourable Members may recall that, in the 2018/19 National Budget, Government announced that we had already begun the process of making Bermuda's economy more competitive and of stimulating additional investment in Bermuda.

It was also noted that, in support of this initiative, this Government would be welcoming global law firms to Bermuda. It is the Government's view that the presence of international law firms in Bermuda will generally benefit the economy and employment prospects of Bermudians, as well as enhance the national brand exposed through global channels.

Mr. Speaker, to progress this proposal, the Registrar of Companies [ROC] commenced consultation with the legal sector on allowing global law firms to have a presence in Bermuda. This consultation resulted in the ROC, on behalf of the Ministry of Finance, releasing an industry notice to key stakeholders.

The stakeholders were invited to give their feedback on any concerns they may have about opening the legal market to international law firms, as well as any conditions they believe should be imposed in section 114B licences in order to preserve the interests of Bermudians.

Accordingly, the following key stakeholders were invited to give feedback:

- the Bermuda Bar Council;
- each law firm listed on the Bermuda Bar Association's website;
- the Bermuda Business Development Agency [Bermuda];
- the Business Development Unit, formerly a section of the Ministry of Economic Development and Tourism and now under the Cabinet Office, and
- the Department of Immigration.

A summary of responses from stakeholders is as follows. In total, 28 submissions were received in response to the industry notice. Eighteen were from various law firms and individual lawyers. The Bermuda Bar Council declined to put forward a formal response, but forwarded a compilation of 10 letters, dating back to 2015, from various law firms and individual lawyers to the then Minister of Home Affairs, regarding overseas firms setting up in Bermuda.

Nine [respondents] were positively in favour of allowing international law firms to enter the Bermuda legal market, citing competition, increased global exposure and investment as benefiting the economy, as well as better professional development and career opportunities for Bermudian lawyers.

Six [stakeholders] expressly disapproved of allowing international law firms to enter the Bermuda legal market. The grounds of objection were that international law firms would be damaging to existing law firms and that they may simply open a "front" in Bermuda by engaging the services of a figurehead Bermudian.

Concerns had also been expressed that the development of international business in Bermuda has been spearheaded by the Bermudian-owned legal sector. Those expressing these concerns said that the legal services sector is a major contributor to the off-shore services economy, the result of 50 years of continuous investment in and development of Bermuda, mostly by the private investment of law firms, who have provided first-class services to support the international business.

The BDA is strongly in favour of relaxing the law firm market and opening it up to greater competition, on the grounds that it will open more channels to push out positive Bermuda messaging and increased opportunities for business flow, particularly in and from Asia.

Mr. Speaker, there have been several broad policy discussions, over the past eight years or so, about the formulation of a policy regarding the presence of international law firms in Bermuda. Under the current circumstances, it is prudent for the Ministry to establish clear policies with respect to local law firms wishing to obtain a licence under section 114B of the Act in order to partner with international law firms.

Mr. Speaker, the ROC and the Ministry of Finance have carefully considered all feedback from industry. Additionally, the ROC has conducted research on how other, similar jurisdictions contend with the presence of international law firms. Following due diligence, the Ministry proposes to prudently liberalise the law firm market and open it up to international firms. Accordingly, each section 114B licence application in relation to an international law firm will be decided on the basis of its own merit and in addition to the standard conditions imposed. Each licence application will be decided on the following provisional conditions, which are intended to preserve the interests of Bermudians:

1. The law firm will be required to have physical presence in Bermuda, i.e., that is, it must operate from Bermuda with staff and management in Bermuda.

2. Legal work involving matters of Bermuda law, originated in Bermuda, must be undertaken in Bermuda by lawyers with a current practising certificate, and cannot be outsourced to lawyers and paralegals in another jurisdiction and merely rubberstamped in the Bermuda office.

3. The law firm will be required to provide scholarships to Bermudian law students, recruit, train (i.e., pupillage and post-pupillage professional development) and employ Bermudians at all levels, as well as provide them with experience in the firm's overseas offices.

4. As part of the section 114B application, the law firm will be required to produce a five-year business plan that includes (a) how it plans to increase revenue from offshore work, and (b) a diversity and inclusion progression policy designed to identify and prepare candidates for partner and high-level management positions that are based on ability, but also that mirror the multicultural composition of the Bermuda community.

5. The law firm will be required to submit an annual report to the Minister to demonstrate adherence to the business plan.

Mr. Speaker, the Government is confident that this policy to relax the law firm market and open it up to international firms, along with the aforementioned licence conditions, strikes the correct balance between stimulating additional investment in Bermuda, providing opportunities for Bermudian lawyers, and preserving the interests of Bermudians.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

The next Statement this morning is in the name of Minister Burch.

Minister, would you like to present your Statement?

ANNUAL REPORT AND AUDITED FINANCIALS OF THE WEST END DEVELOPMENT CORPORATION AND THE BERMUDA LAND DEVELOPMENT COMPANY

Lt. Col. Hon. David A. Burch: Mr. Speaker, thank you.

I rise today to comment on the [West End Development Corporation \(WEDCO\) and the Bermuda Land Development Company Reports](#) for various periods. Let me begin with the West End Development Corporation [WEDCO] Annual Reports for the operating years 2016 and 2017.

Mr. Speaker, for the years under review, the WEDCO team has continued its efforts to establish the West End as Bermuda's premier destination port, as well as the place in Bermuda to work, live and play. Additionally, WEDCO continues to work diligently to develop strategic partnerships within both the private and public sectors to ensure the sustainability of the corporation as it moves forward with its development initiatives.

The year 2015/16 was an extremely busy one for the corporation, with major investment and restoration projects undertaken following Hurricanes Fay and Gonzalo. The corporation was further challenged with delivering the Cross Island venue, which, when completed, would serve as the location for the 35th America's Cup. These works were completed while WEDCO maintained its support and services to their existing tenants and businesses. Mr. Speaker, the major restoration obligations were not the sole focus that year, as the corporation also enhanced the residential housing and grew commercial opportunities.

Mr. Speaker, with regard to the financial highlights for 2016, the corporation's assets amounted to \$137 million, while liabilities totalled \$100 million. Revenues continued to grow to almost \$12.5 million when compared with expenses for that same period of \$16.3 million, thereby resulting in a net loss of \$3.8 million. There was a cash surplus for this period of \$500,000.

Mr. Speaker, accomplishments include the following:

- 1) a 6 per cent increase in revenue;
- 2) a 2 per cent retail growth, despite the economic downturn;
- 3) expansion of new retail shops;
- 4) renovations to the Prince Alfred Terrace residences;
- 5) completion of hurricane damage repair works; and
- 6) extensive programme to involve small contractors to complete many of the hurricane repairs and restoration projects.

Mr. Speaker, some of the activities which took place during this period were the return of Destination Dockyard, a weekly event during the summer months; the Annual End to End charity walk; Bermuda Regi-

ment Tattoo; Go Kart Grand Prix; and local live entertainment at Snorkel Park, Frog and Onion, and Bonefish.

Mr. Speaker, I will now move on to the annual report for the following year, 2016/17, which continued in high gear with preparations for hosting the America's Cup, extensive capital investment for the restoration, and upgrades to critical infrastructure and many historic buildings. The financial report for 2017 reveals WEDCO assets of \$111.3 million and liabilities of \$70.6 million. Total revenues continued to grow to \$15.5 million, while expenses increased to \$16.5 million, with the resultant net loss of \$1 million and a cash surplus of \$2.7 million.

Mr. Speaker, the highlighted accomplishments include the following:

1. meeting preparation responsibilities for hosting the 35th America's Cup;
2. investing and completing projects which totalled more than \$10 million in the renovating of historical structures;
3. winning a National Trust award for restoration efforts;
4. remaining focused on the continued development and growth of core businesses; and
5. increasing commercial revenue by 5 per cent during difficult economic times.

Mr. Speaker, I would now like to move to the reports of the Bermuda Land Development Company Limited (the BLDC). The BLDC was established under the Base Lands Development Act 1996, with a mandate to manage or oversee the management of the land entrusted to it, generally for the purpose of integration of that land into the economic and social fabric of Bermuda, and in particular to the creation of opportunities for increased employment now and in the future, in furtherance of the well-being of present and future generations of Bermudians.

Mr. Speaker, in accordance with section 16 of the Act, the company shall complete the following actions: (1) The Company shall prepare in respect of each financial year financial statements in proper form, which shall be audited by the Auditor.

(2) The Company shall as soon as may be [practical] after the end of each financial year prepare a report on its operations during that year, and on its policy and programme for future years.

(3) Every report . . . in respect of a financial year shall include the text of every direction given by the Minister to the Company under section 12 during that financial year.

(4) The Company shall send to the Minister, within six months after the end of each financial year, a copy of the set of financial statements . . . and of the report prepared . . . in respect of that financial year.

(5) The Minister shall cause a copy of every set of financial statements, and of every report, sent to him . . . to be laid before each House of the Legislature.

Mr. Speaker, since assuming my current role as Minister responsible for the company, I enquired about the status of the company's financial reporting, as only one of the [aforementioned] requirements have been met. I was advised that the last set of Audited Financial Statements and related Report on Operations, incredulously, were for the year ended March 31, 2009. I will speak more on the delay in a moment.

Mr. Speaker, today I present the Audited Financial Statements and Reports on Operations for the years ended March 31, 2010; March 31, 2011; and March 31, 2012. I note, for the information of the House, that the company received a clean audit opinion for each of those years. The auditor did, however, comment on weaknesses in internal controls related to the company's procurement processes, which were addressed in 2011 with the addition of more staff. It is noteworthy that the BLDC has not requested nor received government funding for any of the years being presented today.

Mr. Speaker, I will now return to comment about the delayed tabling of reports for the company. I am advised that there are several reasons for the delay, but you can imagine that none rise to the level of satisfaction for me, given that we are now in 2018, with the most recent accounts relating to March 31, 2012.

The underlying explanation for the delay is that the Auditor General was concerned about the procurement processes at the company in 2010. The Auditor General completed a special report that year and determined that a more detailed examination of the accounts was required, which necessitated more time-intensive processes to complete the audit. The delay was compounded by a recommendation to write down the carrying value of the company's assets by \$6.7 million (which had been audited since 2004), based on a review by the new finance team. The 2010 audit was finalised on February 2, 2015. The 2011 audit was impacted by changes in accounting rules related to public entities, and the 2012 audit was completed in January 2018.

Mr. Speaker, it is important to know how we will get this situation rectified. To that end, the company completed a significant software upgrade this year to evolve beyond its legacy 2012 accounting systems. In addition, the shareholders, at the company's AGM [annual general meeting] in July, approved a timetable and resources for all financial statements to be prepared and presented to the Auditor General by year end. An indication of the success of management's efforts is that the 2013 accounts are presently with the Auditor General for review, with the remaining years anticipated to be submitted by year end. The company also agreed to cover the additional costs to outsource the audits, at the direction of the Auditor General, if it is deemed practical to do so. The refusal of the Auditor General to allow outsourcing of this work is the

source of ongoing frustration at all levels of the company and contributes to the delay.

Mr. Speaker, the irony of this measured and sensible approach to the BLDC accounts that are presently six years out of date is not replicated in the qualified report tabled earlier in regard to the Consolidated Fund—specifically, with regard to the \$10.3 million of capital development works, which comprise, primarily, road works that can easily be verified, even without the documents, by simply driving on those very roads. I can confirm that those documents were in the office of the Auditor General, albeit delivered late, before the report was made. So, one is left to ask the question of why the double standards.

Mr. Speaker, to add context to my remarks today, I note that the company is doing commendable work in accordance with its mandate. [This work includes the following:]

- Request for Qualifications for a new Cargo Port and Energy Plant at Ships Wharf in St. David's was issued in March this year;
- Significant improvements have been made to the potable water supply and treatment of wastewater at Southside;
- The annual National Heroes Parade has been hosted there since 2016;
- Bathrooms at Clearwater Beach have been completely renovated;
- New parking has been constructed at Turtle Bay;
- Daniels Head was re-opened to concessionaires and the general public in 2017, whilst seeking a long-term developer for the site. (Of note, Mr. Speaker, the shareholders decided earlier this year to withdraw Daniels Head from further development consideration at this time);
- An Expression for Interest for Tudor Hill has been issued; and
- Substantial renovations have been made to existing commercial and residential buildings.

Mr. Speaker, in addition to improving the financial management of the company, the board has been focused on significant improvements in governance. In that regard, they have consistently approved an annual operating and capital budget, business plan and strategy, as required by the Act. It was recently announced that certain of the operational roles at BLDC and BHC [Bermuda Housing Corporation] would be combined, as originally recommended in the 2003 Report on Untangling Bermuda's Quangos, and further endorsed by the SAGE Commission. Following this announcement, we anticipate further efficiencies.

Mr. Speaker, I would like to thank the board, management and staffs at both WEDCO and BLDC for all of their hard work over the reporting periods.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

The next Statement on the Order Paper this morning is in the name of the Minister of Health.
Minister.

Hon. Kim N. Wilson: Thank you, and good morning, Mr. Speaker.

The Speaker: Good morning.

MENTAL HEALTH AMENDMENT (NO. 2) ACT 2018

Hon. Kim N. Wilson: Mr Speaker, as the Minister of Health, I am especially pleased to rise today to speak about the amendments to the Mental Health Act that will be tabled shortly.

I have spoken on various occasions about this upcoming work, and it gives me great pleasure to be able to bring the [Mental Health Amendment \(No. 2\) Act 2018](#) to this House. Mr. Speaker, the amendments proposed in the Bill were developed by a committed and expertly qualified steering committee and project team. The proposals were subsequently consulted on via the Mental Health Act Review Consultation Paper, on which we gathered feedback in February of this year. Broadly, the feedback was supportive. It acknowledged that more changes are needed in our mental health infrastructure, as well. This is the beginning of longer-term reforms.

Mr. Speaker, I want to acknowledge that this excellent work was commenced under the previous administration, and I am committed to advancing good work that aligns with this Government's priorities. Indeed, raising the awareness of mental health and the issues surrounding those persons within our community affected by mental health challenges is something that I am personally very passionate about.

Mr. Speaker, I would like to provide a brief overview of the Bill's intent. Overall, the goal is to bring Bermuda's mental health legislation in line with contemporary methods of care, whilst balancing the need to protect the rights of the individual patients and the need to ensure public safety. While more work will be needed on the broader mental health legislation and services, in this phase we have focused on addressing major gaps that exist in Bermuda's Mental Health Act. As such, Mr. Speaker, the Bill aims to establish requirements to define "mental capacity," ensure that consent to treatment is obtained, and establish community treatment orders. I will explain each policy a little further on.

Mr. Speaker, first, the Bill establishes requirements to determine a person's ability to make decisions. This will be achieved primarily through a mental capacity framework established in the Code of Practice. The rationale for this amendment is that a patient cannot consent to or refuse treatment unless they have the mental capacity to do so, and this is currently not present in law. The mental capacity framework will establish principles and criteria to determine whether a

person is able to make a decision, and, if they are deemed unable, to ensure that the decision is made in their best interests.

Mr. Speaker, secondly, the Bill seeks to provide a framework for consent to treatment to be sought in specific cases. The Mental Health Act currently does not provide legal safeguards for patients who either cannot consent or refuse to consent to treatment. The Bill establishes safeguards for patients regarding consent to treatment, which will apply to all detained patients whether in hospital for treatment or living in the community under a community treatment order, which, Mr. Speaker, is the final change introduced by the Bill.

The Bill introduces provisions under the Mental Health Act for “supervised community treatment” in the form of Community Treatment Orders (CTOs). CTOs enable mental health professionals to treat patients granted leave from the hospital for extended periods of time. This enables conditions to be set for patients to live in the community (such as the continuation of medication), while also improving legal safeguards to protect the rights of the patient.

Mr. Speaker, this is a high-level overview of the Bill and of our intended improvements to mental health provisions in Bermuda. We appreciate that more is needed, and we will continue to make improvements. But, for the time being, we are absolutely confident that these provisions will bring improved safeguards and treatment for mental health patients in Bermuda. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

The next Minister who has a Statement on the Order Paper this morning is the Minister of Transport and Tourism.

Minister, would you like to present your Statement?

IMPLEMENTATION OF THE INTERNATIONAL MARITIME ORGANIZATION (IMO) INSTRUMENT IMPLEMENTATION CODE (III CODE)

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

Mr. Speaker, I am pleased to provide this Honourable House with an update on the progress that is being made on the [implementation of the International Maritime Organization \(IMO\) Instrument Implementation Code](#), which is commonly referred to as the III Code.

Mr. Speaker, the III Code is concerned with providing a unified international standard for the operation of maritime functions by IMO Member States, in accordance with the provisions of the IMO Instruments. It also forms the basis of audit standards for the mandatory IMO Member State Audit Scheme (IMSAS Audits). The audit schedule has been approved by the Council of the IMO and, according to the schedule, the UK audit will take place in September 2020. This audit

includes the Overseas Territories (OTs). In preparation, the UK Maritime and Coastguard Agency (MCA) will conduct assurance audits in 2019 of all OTs to gauge and measure compliance and readiness for the IMO Audit.

Mr. Speaker, the IMO Instruments set out the rights and obligations of a state with regard to maritime functions conducted by its government authorities, under the provisions of the relevant conventions to which it is a party. Bermuda is a party to all major International Maritime Conventions through the United Kingdom (UK), which is the IMO Member State and the signatory to such conventions on behalf of itself and its OTs. These IMO Conventions have been extended to Bermuda by the UK Government. For the purpose of statewide implementation of IMO Conventions, the state is divided into three separate and distinct sub-states: the Coastal State, Port State and Flag State. While each of these state parties is responsible for undertaking the maritime functions delegated to it by the government (state), the government remains responsible for giving full and complete effect to the IMO Conventions.

There are eight main International Conventions conferring rights and obligations upon Bermuda, as follows: There is one United Nations convention, the United Nations Convention on Law of the Sea, 1984 (UNCLOS 1984). There are six International Maritime Organization Conventions, as follows: (1) International Load Lines Convention; (2) International Convention on Measurement of Tonnage of Ships; (3) International Regulations for Prevention of Collisions at Sea; (4) International Convention on Prevention of Pollution from Ships [MARPOL]; (5) International Convention on Safety of Life at Sea [SOLAS]; and (6) Standards of Training, Certification and Watchkeeping, [STCW]. And, there is one International Labour Organization [ILO] convention, the Maritime Labour Convention, 2006 [MLC 2006].

Mr. Speaker, to properly implement and enforce Bermuda’s rights, obligations and responsibilities with respect to the relevant IMO Instruments, current legislation, policies and procedures must be reviewed, gaps identified, responsibilities clarified, and remedies put in place. The actions required with respect to code compliance involve and span a considerable number of agencies. In this regard, the Bermuda Shipping and Maritime Authority [BSMA], as the flag state, has been given the overall responsibility for preparing for and providing direction and support to the coastal and port state entities, to ensure compliance with the code in advance of the audit.

Some of the key tasks include completion of the Gap Analysis, acting on findings of the Maritime and Coastguard Agency report, and assessing and executing the legislative and procedural changes needed to meet the code requirements. The cooperation and collaboration of the various ministries, departments and quangos is necessary to ensure suc-

cess, and I am pleased to report that we are making significant progress.

Mr. Speaker, to ensure the appropriate guidance and oversight of the III Code implementation process, the Bermuda Maritime Steering Committee has been created. This executive committee composition includes representatives of Flag, Coastal and Port departments and agencies with responsibilities impacting on the national maritime obligations and requirements. The chairperson of the steering committee is the local coordinator, and other members include a representative from the BSMA, Department of Environment and Natural Resources, Department of Health, Department of Marine and Ports, and a Port Operator representative. Sub-working committees have also been created, and they include Search and Rescue, Marine Pollution, Ports, Health and Navigation.

Mr. Speaker, other activities directly related to ensuring our readiness, which have been completed, include the visit of the United States Coast Guard Strike Team during the week of 17 September 2018. The purpose of the visit was to discuss our oil-pollution response readiness and to review the existing Memorandum of Understanding [MOU] with the United States Coast Guard for Major Oil Spill Response. This visit was organised and coordinated by the Department of Environment and Natural Resources.

This was followed by a visit, on the 29th and 30th of November 2018, of representatives from the UK Maritime and Coastguard Agency, as part of their review work on each Overseas Territory's pollution response capability. Their visit largely focused upon site visits and gaining an understanding of the individual port risks and marine pollution response capabilities and needs.

Mr. Speaker, it is a requirement for all of the OT administrations to develop a III Code strategy document with the aim to have each administration's strategy in place prior to the conduct of each Territory's assurance audit in 2019. In support of the strategy, it is recommended that each OT administration has a supporting manual. The purpose of this manual is to contain and provide a central place for supporting documents which will assist in demonstrating implementation of the strategy. The development of our strategy document and supporting manual is completed.

Mr. Speaker, substantial progress has also been made on the completion of the legislation gap analysis, and we await a final report from the UK to verify our analysis. The total number of regulations that were identified as being required, from the Gap Analysis, between the UK's and Bermuda's existing merchant shipping regulations, is 69. Twenty-nine specifically pertain to the III Code.

The BSMA has an ongoing legislation programme with the Attorney General's Chambers to assist in advancing this necessary legislation, and we are very pleased with the progress made thus far. Honourable Members will recall the two pieces of maritime

legislation that we debated just recently, which will facilitate the implementation of various regulations as required by the Code.

Mr. Speaker, the implementation of the III Code is of significant importance and is mandatory for Bermuda to maintain its very good reputation as a compliant and leading maritime jurisdiction. With the progress that we have made thus far, and with the continued Government support and cooperation of the stakeholder departments, I am confident that we will be compliant prior to the imposed deadline. And I will endeavour to keep the Honourable House updated on our progress.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Minister.

The last Statement on the Orders this morning is in the name of the Minister of National Security.

Minister.

DISASTER RISK REDUCTION AND MITIGATION TEAM END OF YEAR REPORT

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

Mr. Speaker, this morning I wish to provide this Honourable House with a report on the activities of the [Disaster Risk Reduction and Mitigation \[DRRM\] Team](#), for this current year. Honourable Members will recall that this team was introduced to the public in October, after becoming operational this past summer.

Mr. Speaker, the DRRM Team is tasked with strengthening and developing disaster and emergency contingency plans for natural and manmade hazards that threaten Bermuda, and coordinating the activities of the Emergency Measures Organisation [EMO]. The team also has responsibility for coordinating the planning for national events and their associated contingency plans. Based within the Ministry of National Security Headquarters, the team currently consists of five staff seconded from our uniform services that each brings experience and expertise crucial for carrying out the responsibilities of the Disaster Risk Reduction and Mitigation Team's remit.

Mr. Speaker, the DRRM Team is led by senior police officer, Steve Cosham. Mr. Cosham has [37] years of experience, which includes being the Commander of the Marine Unit and ComOps. He is also trained in bomb disposal and was a firearms commander for pre-planned operations.

Working with Mr. Cosham are the following staff: Kelly Trott is a Principal Customs Officer with 31 years of experience. She has worked in all areas of Customs and is trained as a Diagnostic Facilitator for the World Customs Organization and a Certified Trainer for the Caribbean Customs Law Enforcement Council. Mr. Troy Furbert is a Divisional Fire Officer with 30 years of experience. He brings with him vast experience in fire operations and training, and is a

certified National Fire Protection Association Instructor. Dean Rubaine is a Regimental Quartermaster Sergeant from the Royal Bermuda Regiment, with 30 years of experience.

He has previously been deployed overseas to assist with disaster operations in various Caribbean islands, and was appointed to the International Military Advisor Training Team, in Sierra Leone. Lyndon Raynor is a Police Sergeant with 33 years of experience in operational and support roles in policing. He is a qualified Firearms Commander and a trained Hostage Negotiator.

Mr. Speaker, this year, the team has been involved in several crisis planning exercises and activities. In January, the team brought together 27 agencies for the airport emergency plan exercise. The exercise simulated a large fuel spill whilst a plane was full of passengers. This exercise gave the agencies an opportunity to work through the emergency plan in real time in order to make necessary changes and enhancements. Mr. Speaker, from June through October, the team was central in holding a tabletop exercise on board the cruise ship *Norwegian Escape* to develop a cruise ship evacuation plan for Bermuda. This culminated in October with a live, partial cruise-ship evacuation taking place at Heritage Wharf. These planning exercises will help prepare the 23 agencies involved in cruise ship contingency plans for greater engagement for the start of the 2019 cruise ship season.

Mr. Speaker, hurricane season, which runs from 1 June until 30 November, saw the second year in a row that Bermuda did not receive a visit from a hurricane, for which we are definitely blessed. Although there was no storm activity, the DRRM Team worked through all related plans in order to keep up its preparation and risk reduction work, and are ready for the 2019 season. Since October, Mr. Speaker, the team has been engaged with Sol and RUBiS in developing contingency plans for the fuel farm and nearby residents and businesses at Ferry Reach. SOL and RUBiS remain the responsible fuel providers; however, the DRRM Team is working to further mitigate potential risks generated by the nature of fuel storage operations. A town hall meeting for residents to become involved in the contingency planning process and voice any concerns is being planned for January 2019.

Mr. Speaker, in November, training was held for 25 staff from 10 EMO agencies in the Incident Command System. The aim of this training was to encourage collaboration between agencies and assist participating staff in commanding any incident, whether small or large. To increase our resilience at the ports of entry, December saw training of 23 staff from eight agencies that support the airport and seaports in bomb searching.

Mr. Speaker, looking ahead, the DRRM Team is working with stakeholders on various training

[packages and] exercises to test contingency plans for 2019. Over the course of the year, the team will work toward upgrading the necessary Emergency Broadcast Facility at 100.1 FM and changing it from analogue to digital. The team will also facilitate a locally held incident command course for EMO agencies before the hurricane season begins.

Mr. Speaker, although many of the disasters for which the DRRM Team are ensuring preparedness seem unlikely for Bermuda, the consequences of not being prepared in the event of an occurrence could be cataclysmic. It is important to include all of the community in developing disaster and emergency contingency plans. Once developed, if they are to work, these plans need to be trained for and then exercised in order to test them. If this is completed with wide stakeholder engagement, we will maximise the plans' effectiveness and will place Bermuda in a position to respond to, and recover from, any national disaster as efficiently as possible. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

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

REPORTS OF COMMITTEES

The Speaker: There are none.

PREMIER'S QUESTION TIME

[Standing Order 17(11)(i)]

The Speaker: Members, today is the second sitting in the month, which means we have the Premier's Questions. And, just particularly for our listening audience, during the Premier's Question Time, questions may be put to the Premier relative to current matters of national importance, and/or general performance of Government Ministries and Government agencies, including routine questions about the Premier's engagements.

The Leader of the Opposition will have the opportunity to ask three questions if he desires. Other Members may put one question only. And supplementary questions can be asked only by the Member who put the question.

Premier, the first Member who has indicated that he has a question for you this morning is the Leader of the Opposition. And, as you know, there is a 30-minute timeline for this section in our agenda.

Opposition Leader.

Hon. L. Craig Cannonier: Thank you very much, Mr. Speaker. Good morning also to everyone.

The Speaker: Good morning.

QUESTION 1: DEPARTMENT OF CHILD AND FAMILY SERVICES REPORT

Hon. L. Craig Cannonier: Yes. Question for the Premier: Where are we concerning the DCFS (Department of Child and Family Services) with the report which was due on October the 31st gone, on allegations of abuse within Child and Family Services?

The Speaker: Thank you, Member.
Premier.

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

Mr. Speaker, in response to the Leader of the Opposition, at the request of the department and Ministry, the Head of the Public Service placed officers on administrative leave. In other cases, the acting department head relieved certain officers of their particular duties.

There are three officers being investigated. And the investigations are at various stages. All complaints related to all matters at the Department of Child and Family Services are being investigated. Procedures for the handling of cases of alleged gross misconduct are set out in the Second Schedule of the Public Service Commission Regulations. And, upon the completion of the investigation, wherein offences against the conditions of employment and Code of Conduct are alleged, the matters will be referred to the Head of the Public Service, who shall conduct a hearing.

It should be noted that investigations into various matters at DCFS are ongoing, and, as it has been in the public domain, there are two separate lines—one with the Department of Internal Audit and one with the Ministry itself—handling items which may be considered against the conditions of employment and Code of Conduct.

The Speaker: Thank you.
Supplementary or second question?

Hon. L. Craig Cannonier: No; supplementary.

The Speaker: Supplementary?

Hon. L. Craig Cannonier: Yes.

The Speaker: Continue.

SUPPLEMENTARIES

Hon. L. Craig Cannonier: And I want to thank the Premier for that, since we had not heard anything since October 31st.

What I wanted to find out a little more about is if he could expound on some of the other tangible measures outside those suspensions that may have been made by the department, since it had moved

under the Attorney General Chambers, whereby it has given some assurances to families that kids are safe and secure, outside of these suspensions. Have there been any other kinds of fundamental changes within how they do things?

The Speaker: Thank you.
Premier.

Hon. E. David Burt: I thank the Opposition Leader for his question, Mr. Speaker. And what I can say is that this Government puts the safety of our children [first] and regards it as the highest priority.

The fact is that the Minister who is responsible for this responsibility sits in another place. The Minister who is responsible for this has made statements of what is going on in Child and Family Services and has [answered] numerous questions and [provided] responses to the Members of the Opposition who sit in the other place.

What I would say is that the Minister who is responsible, just like the Minister who was responsible previously, is on the case. We are making sure that we are going to upgrade the facilities. There are various facility upgrades which are going on right now to make sure that there is capacity to care for our children. And this Government will make the investments which are necessary and required to ensure that our children come first and that the safety of those who are the most vulnerable in our population have the services of which they need.

The Speaker: Thank you.
Supplementary or new question?

Hon. L. Craig Cannonier: Yes, supplementary.

The Speaker: Second supplementary, your last supplementary on that question.

Hon. L. Craig Cannonier: Yes. Yes.

Taking that into consideration, there has been a lot of attention to this particular department, as we can see played out in the public. And so, I guess what I was trying to understand, as far as there has been talk about efficiencies, making it more efficient, knowing that the Attorney General's Chambers has been under stress already . . . by moving it into this area, does the Premier believe that, with the attention thus far, it may have been a mistake moving it, disbanding the former Ministry and moving this particular department to the Attorney General's Chambers, when we know that the former Minister was doing such a good job?

The Speaker: Thank you.
Premier.

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

Mr. Speaker, the organisation of Government under the Constitution lies with me. And I am responsible for the organisation of Government. After 16 months of examining the way in which things stood, I decided to make a change, in the interest of efficiency and better service. The changes which I have made, Mr. Speaker, in my belief will better serve the people of this country, our children, our seniors, those on financial assistance, those in sports and those within labour. And so, for that particular instance, Mr. Speaker, I support, clearly, the decision which we have made. And not only do I support the decisions of which have been made, but it is my belief that they will yield to better results for our students.

So, to answer the question, no; I am not second-guessing my decision, Opposition Leader. It was the correct decision, and it will yield better results for our children.

The Speaker: Thank you, Premier.

Now, you used the supplementaries on your first one. Would you like to put a second question?

Hon. L. Craig Cannonier: Second question, yes.

The Speaker: Second question.

QUESTION 2: INSURANCE REGULATORY SANDBOX LICENCES

Hon. L. Craig Cannonier: Thank you, Mr. Speaker, for obliging me.

Certainly, since the process of setting up the Sandbox, which introduces the regulatory testing environment that we are now calling the Sandbox, I wanted to find out if the Premier can let us know, since July, I believe it was first, how many temporary Sandbox licences have been approved?

The Speaker: Thank you.
Premier.

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

Mr. Speaker, if he is speaking about the Insurance Regulatory Sandbox—

Hon. L. Craig Cannonier: Yes.

Hon. E. David Burt: —that is a matter that will fall underneath the Bermuda Monetary Authority. I do believe that they publish all licences which are issued, on their website. And those particular matters will be in the public domain.

However, I will ask my colleague, the Minister of Finance, to follow up and provide an answer to the Honourable Opposition Leader on that particular point.

The Speaker: Thank you, Premier.
Supplementary or third question?

Hon. L. Craig Cannonier: Supplementary.

The Speaker: Supplementary.

SUPPLEMENTARY

Hon. L. Craig Cannonier: Yes, I appreciate that. Yes, we were looking for it, and I could not find it. So, that is why we were asking the question.

As a supplementary to that, is the Premier aware of any job creation for Bermudians that may have resulted from these temporary licences that may have been given?

The Speaker: Thank you.
Premier.

Hon. E. David Burt: Mr. Speaker, I just want to ask the Opposition Leader to clarify.

Are you talking about licences from under the Insurance Act for provisional licences for insurance companies?

Hon. L. Craig Cannonier: Yes.

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

Mr. Speaker, I cannot necessarily speak to the specifics of any jobs which may or may not have been created. As the Opposition Leader would know, those are not statistics which are kept specifically by the Government in any way, shape or form. What I can tell the Opposition Leader, and I think that many people have seen this, is that jobs are being created inside of the FinTech industry, broadly, and this Government will continue to support that.

The Speaker: Thank you.
Supplementary or third question?

Hon. L. Craig Cannonier: Third question.

The Speaker: Third question.

QUESTION 3: FINTECH DEVELOPMENT FUND DONATIONS

Hon. L. Craig Cannonier: Yes. Thank you again.
Since the establishment of the FinTech Fund, have any donations come in yet for the FinTech Fund?

The Speaker: Premier.

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

Mr. Speaker, I can confirm that, to date, there have been no donations made to the FinTech Development Fund.

The Speaker: Thank you.
Supplementary?

Hon. L. Craig Cannonier: Supplementary, supplementary.

The Speaker: Yes.

[Inaudible interjection]

The Speaker: This is his first supplementary on the third question.

SUPPLEMENTARY

Hon. L. Craig Cannonier: My third question, yes, yes, yes, yes, yes, yes. I will be done in a minute.

Supplementary. Taking that into consideration, is there any particular reason why that has not happened thus far? We know that you have been very attentive to the FinTech industry and moving it along. Has there been a complication as to why we have not seen any funds thus far, especially knowing that there have been 44 FinTech-type companies that have been licensed in Bermuda thus far?

The Speaker: Thank you.
Premier.

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

Mr. Speaker, the Honourable Opposition Leader said 44 companies. I would like to correct him and just state that the latest figures state that there are 52 companies now, FinTech companies, which are now registered in Bermuda.

[Desk thumping and cheering]

The Speaker: Members!

Hon. E. David Burt: In addition to that, Mr. Speaker, I think that it is a very, very important point that the Honourable Member raises. And I want to take this opportunity to make sure that I speak to the people of Bermuda on this, because it is very, very important to know.

Here is what I will tell you. The first thing is, Mr. Speaker, Rome was not built in a day, and neither will Bermuda's FinTech industry be built in a day. But what I can tell you, Mr. Speaker, is yes, there are complications. And the complications that we are having have been explained numerous times from this floor. And those are the complications of banking within this particular sector, Mr. Speaker. So, the Government, the Minister of Finance, the Bermuda Mone-

tary Authority and [we] ourselves, who are responsible for ITT innovation and policy, are pushing forward in trying to get banking solutions for persons who will bank FinTech companies.

Once there are banking solutions for FinTech companies here we will see even more growth. And at that point in time I will be happy to, hopefully, report on donations to the FinTech Fund.

The truth of the matter, Mr. Speaker, is that this industry will not be able to flourish as the others have, because of the fact of the lack of banking services. And Bermuda in this case is at a disadvantage. Historically, Mr. Speaker, Bermuda was never a banking jurisdiction. Therefore, other jurisdictions which were involved in FinTech have many types of banks. Some are willing to have FinTech appetites.

I had a conversation this week when I was at MIT (Massachusetts Institute of Technology), when I was meeting with FinTech leaders. And one of the things that happened earlier this week, Mr. Speaker, which I think is very important, is that there was a FinTech company that has set up here. And the company that has set up here, Mr. Speaker—a very, very key point—the company that set up here took six months and was not able to open a bank account in Bermuda and had to open up a bank account in the Bahamas.

That is the challenge that we are facing. I am happy that the Opposition Leader asked for the challenge. That is a challenge that we have, and we are working to resolve that. It is my hope, Mr. Speaker, that this particular challenge will be resolved shortly.

The Speaker: Thank you, Premier.
What are you rising for, sir?

[Inaudible interjection]

The Speaker: Wait, wait, wait, wait. No supplementary. You cannot ask—

An Hon. Member: No. I have a question.

The Speaker: No, no, no. I have a list. A list was submitted. I am going by the order of the list that Members submitted to me.

The next Member who submitted her interest in asking a question is the Member from constituency 19.

Member, would you like to put your question?

QUESTION 1: JUNIOR MINISTER OF FINANCE

Hon. Jeanne J. Atherden: Mr. Speaker, through you to the Premier: Mr. Premier, would you please advise whether you intend to continue having the Honourable Wayne Furbert act as a Junior Finance Minister in the House, now that Minister Dickinson has taken up his

portfolio as Minister of Finance duties? Or will he stand down, as a cost-cutting measure?

The Speaker: Thank you, Member.
Premier.

Hon. E. David Burt: I thank the Honourable [former] Opposition Leader for her question. The last time I checked, the appointments to Ministers and Junior Ministers were in the specific purview of myself, underneath the Constitution, Mr. Speaker. The Honourable Wayne Furbert will continue to serve in the Ministry of Finance, as I stated in Government House, to assist in the preparation of this year's budget. We do know that there is a lot of work that has to happen in that. And the continuity that will be provided in the Ministry of Finance by the Junior Minister, I am sure, will be welcomed not only by the Minister of Finance, but by all Members of this House.

The Speaker: Thank you, Premier.
You are allowed a supplementary. Would you like a supplementary?

SUPPLEMENTARY

Hon. Jeanne J. Atherden: Yes, please, Mr. Speaker.
Mr. Speaker, my supplementary to the Premier is that I understand that he has all of this discretion available to him. I was just curious, because I believe that, you know, Junior Minister Furbert had demonstrated some successful completion of tasks. And I wondered whether that might have elevated him to be considered to be the—

[Inaudible interjections]

The Speaker: Members, Members!

Hon. Jeanne J. Atherden: —to be the Minister responsible for Education. And I just want to recognise that there is some concern about education. And the public needs some assurance that this important Ministry is going to have the promises that it made to the people taken care of.

The Speaker: That should have been a question.

Hon. Jeanne J. Atherden: I had a question.

The Speaker: Oh, oh.

Hon. Jeanne J. Atherden: My question was whether the Premier has considered that the Junior Minister, by virtue of what he has done with the Tax Reform Sub-committee, et cetera—

[Inaudible interjections]

Hon. Jeanne J. Atherden: Excuse me, Mr. Speaker.

[Inaudible interjections]

The Speaker: Members. Members. I am trying to hear the question.

An Hon. Member: So are we.

Hon. Jeanne J. Atherden: Has the Premier considered whether Junior Minister Wayne Furbert's next task would be taking over the portfolio of Education, recognising that this is a portfolio that the people of Bermuda want to see—

[Inaudible interjections]

The Speaker: I have got the gist. I have got the gist.

Hon. Jeanne J. Atherden: That the people—they want it handled.

The Speaker: Premier. Premier. Premier.

[Inaudible interjections]

The Speaker: Let the Premier respond. Let the Premier respond, please.

Hon. E. David Burt: Mr. Speaker.

The Speaker: Yes.

Hon. E. David Burt: I appreciate the support that Honourable Members on that side have for the Members on this side, and the willing kudos which they will give them.

And so, I want to appreciate that, because I think that is wonderful, coming from the former Opposition Leader, recognising the strength and depth and talent on this side of the House, Mr. Speaker.

What I will say, Mr. Speaker, is that the Honourable Minister responsible for Education has my full and unequivocal support to deliver for the people of this country the reforms which are required for education.

[Desk thumping]

Hon. E. David Burt: And what I will say, Mr. Speaker, is that, if at any point in time there would be any type of change in that, this Honourable House will know.

The Speaker: Thank you.

Those were your questions.

The next Member on the Order Paper who has indicated that she would like to put a question is the Member from constituency 23.

Honourable Member, would you like to put your question?

QUESTION 1: SEPARATION OF CEO FROM BERMUDA HEALTH COUNCIL

Hon. Patricia J. Gordon-Pamplin: Yes. Thank you, Mr. Speaker, and good morning, Mr. Premier.

Is the Premier able to share with this Honourable House the circumstances behind the sudden separation of the CEO from the Bermuda Health Council?

The Speaker: Mr. Premier.

Hon. E. David Burt: Can the Honourable Member please repeat her question?

The Speaker: Member, would you repeat your question?

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

Is the Premier able to share with this Honourable House the circumstances behind the sudden separation of the CEO from the Bermuda Health Council?

Hon. E. David Burt: Thank you for the question, Mr. Speaker.

Mr. Speaker, there are no further details of which I can share at this point in time. If there is a specific question that wants to be asked, I am happy to answer. It is my understanding that the separation took place by the Bermuda Health Council, and their board sought approval from the Minister, and such approval was granted for such.

The Speaker: Thank you.
Second question or supplementary?

Hon. Patricia J. Gordon-Pamplin: Supplementary. I only had one question. I have the first supplementary.

The Speaker: I meant supplementary. No second question. Supplementary, yes.

SUPPLEMENTARIES

Hon. Patricia J. Gordon-Pamplin: And that is, can the Premier undertake to advise this Honourable House the conditions, the terms of the separation package that may have been offered under the separation agreement?

The Speaker: Thank you.
Premier.

Hon. E. David Burt: Mr. Speaker, the undertaking that I can give this Honourable House is that, as much

as can be disclosed, publicly and/or privately, I will undertake to do so. And I think that if the Honourable Member who may speak for Health in this matter wants to have a private conversation with the Minister of Health on this matter, I would invite her to certainly do so.

The Speaker: Thank you.
Second supplementary?

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

Is there a contingent liability for any legal fees in respect of any possible challenge as a result of the separation?

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, I do believe that there is something regarding Standing Orders regarding the answer to hypothetical questions. And so, I am going to decline to answer that question.

The Speaker: Thank you.
Those are your questions asked.
The next Member on the Order [Paper] who put in a request is the Deputy Speaker.
Deputy Speaker, would you like to put your question now?

QUESTION 1: DOMESTIC PARTNERSHIP ACT, COST OF APPEAL

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

Mr. Premier, I am pleased to hear the news that the Government has sought leave to appeal to the Privy Council the decision by the Bermuda courts to strike down this Parliament's will in passing the Domestic Partnership Act. Can the Premier please advise this Honourable House the cost to date for this appeal?

The Speaker: Thank you.
Premier.

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

And I appreciate the question from the Honourable Deputy Speaker, because it gives me an opportunity to clarify information/misinformation which may be inside of the public domain, where there have been persons who have been quoting very large figures for the Government regarding the expenses in this particular instance, in this particular case.

What I can confirm for the House is that for the original appeal to the Court of Appeal, the cost borne to the public purse was £41,750, which equates to about \$52,000 or \$53,000, depending on the ex-

change rate, and which, of course, depends on British politics daily. And then with regard to the appeal, the drafting of the grounds of appeal and provisional advice to the Privy Council, that stands, to date, Mr. Speaker, at £11,250.

The Speaker: Thank you.

Supplementary? No? Okay.

The next Member on the list is the Member from constituency 10.

Would you like to put your question?

Hon. Michael H. Dunkley: Good morning, Mr. Speaker. Good morning, colleagues.

The Speaker: Good morning.

QUESTION 1: SALE OF VICTORIA HOUSE TO ARBITRADE

Hon. Michael H. Dunkley: Mr. Speaker, just for the record, the questions asked to the Honourable Premier in the July 13th session still have not been answered.

The question for the Honourable Premier in this session and Question Period is, as the Minister of Finance, Premier Burt, you issued a licence under section 4AA of the Companies Act, which allows land held by Bermudians, the building known as Victoria Hall at 11 Victoria Street, to be sold to Arbitrade.

Question to the Honourable Premier: In the application, what was the proposed use of the building? What were the proposed business operations to be housed in the building? And what due diligence, meaning as referenced in your Statement of October 31st, passing all financial and background checks, was done prior to approving the licence and sale?

The Speaker: Premier.

Hon. E. David Burt: I thank the Honourable Member for his question. I am uncertain as to whether or not the particular items of which he is asking for are disclosable, specifically the use of the building, the intended use of the building. What I can state is that I cannot recall, without notice, what those specific measures were inside of that document. But I will ask the Minister of Finance to forward that, if it is able to be disclosed.

What I can tell the Honourable Member is in a broader context of the question of which he asked, about the purchase of the building and the request for the purchase of the building; I will just explain to him that the process is as follows: Applications are made. There are requests. The applications are vetted by the Registrar of Companies. In addition to the vetting by the Registrar of Companies, the Registrar of Companies seeks the opinion of the Chamber of Commerce,

and also the Bermuda Business Development Agency in this particular case.

What I can say is that the Chamber of Commerce, as I said publicly, was supportive of this purchase. The Business Development Agency said that they were generally supportive of it, but they had some questions. Based upon the questions, Mr. Speaker, there was enhanced due diligence that was done, which was requested by myself, at the highest levels, which is what is allowed internally, that those questions went to the Assistant Financial Secretary.

The Assistant Financial Secretary went to the Financial Intelligence Agency to make sure that they completed background checks at the international Interpol system for all of the various directors. Those background checks came back with no objection. And, given that there was no objection from the Registrar of Companies, and there was support by the Chamber of Commerce, the registration was approved by myself as the Minister of Finance.

The Speaker: Thank you.

Supplementary.

Hon. Michael H. Dunkley: Yes, Mr. Speaker, but just a quick comment. If Bermudian land is sold to a non-Bermuda business—

The Speaker: Well, well, let us keep it to questions.

Hon. Michael H. Dunkley: —I do not think there should be anything that is kept from the public.

The Speaker: Let us keep it to the question. Keep it to the question.

SUPPLEMENTARIES

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

The Honourable Premier said in his statement that financial and background checks were done. He just answered the question by saying they were done by individuals involved. Who were the individuals involved when financial and background checks were done?

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, I think that there is one thing that the Honourable Member should know. And that is that the ultimate beneficial owners of companies are not something that is publicly disclosable. And I think that is something that is supported from that side of the House and this side of the House.

What I can tell . . . and so I am certainly not going to use the privilege of Parliament to disclose information that comes to me in confidence out of a public nature. Because I think if we start going down

that road, then I am quite certain that there is a whole lot of business inside of this country that will be challenged.

But allow me to speak, again, for the particular record. There was an application, Mr. Speaker, to purchase property. That application goes through the exact same checks that any other application goes through. It is reviewed by the Registrar of Companies. The Registrar of Companies seeks the advice of the Chamber of Commerce and the Bermuda Business Development Agency. Those reports came back to me. I analysed those reports. I held the file, after it came from the Registrar of Companies, for about a month, to make sure that additional due diligence was carried out so that we could be completely satisfied.

Especially in light of the comments and attacks which would come from that particular Honourable Member, I wanted to be absolutely sure that the Government could stand up and say that we have done the checks which were required. We did those checks. We went to enhanced checks. And those enhanced checks came back clear, from that level. And, therefore, I was satisfied that the approval to purchase the property could be approved.

The Speaker: Thank you.

Hon. Michael H. Dunkley: Mr. Speaker.

The Speaker: This is your second supplementary.

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

If asking questions is an attack, then we live in a different world nowadays.

The Speaker: Just—

Hon. Michael H. Dunkley: Second supplementary.

The Speaker: Wait, wait, wait, wait, wait, wait, wait, wait, wait, wait. Take your seat. Take your seat.

Let me caution all Members. It is simply a time for you to get up and ask questions, not a comment. Save that for the motion to adjourn if you want to add to your comments. But when you rise to your feet, put a simple question.

Continue.

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

Referring back to the Act, under the section of the Act 4AA(2), if the application is in accordance with the policy approved by the Cabinet, he, being the Minister responsible, if he consents to the application . . . and then in [section] 4AA(3), it may be subject to certain conditions that the Minister considers appropriate to impose. Has the Honourable Premier in this case imposed any restrictions or conditions in this case, as is allowed under the Act?

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, as I do believe that the actual licence itself is a public document, I will undertake to ask the Minister of Finance to share it so that he can see the conditions. The conditions are the standard conditions which are attached to all [such licences], which I think is for a period of five years, and it has to make sure that it is renewed after every five years. But I do not think that there are any additional conditions out of the ordinary, which are given to any other approval by non-Bermudian companies that are not fully beneficially owned by Bermudians, to own property.

The Speaker: Thank you, Mr. Premier.

The next Member on the list who would like to put a question to you, Premier, is the Government Whip from constituency 24.

Member, would you like to put your question?

QUESTION 1: FINTECH COMPANY—BITCARBON

Mr. W. Lawrence Scott: Yes. Thank you, Mr. Speaker.

The Premier would have seen in today's headline where it states that FinTech company Bitcarbon is looking to fill 16 jobs in Bermuda. Does the Honourable Premier agree with me that, despite the naysayers in the Opposition, which we have heard earlier today, this Government's commitment to—

The Speaker: Just put your question. Nope. No side-lines, just the question.

[Inaudible interjections]

Mr. W. Lawrence Scott: Does the Honourable Premier agree with me that, despite the naysayers in the Opposition, this Government's commitment to diversifying our economy and creating jobs is bearing fruit?

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, I thank the Honourable Member for his question. And I do agree with him that the efforts that this Government has been making into diversifying our economy are certainly bearing fruit.

What I can say, Mr. Speaker, is that I know that there are those who are sceptics. I know that there are those who will use statements in this House to ask, *Where are the jobs? Where are the jobs? Where are the jobs?* The fact of the matter is, Mr. Speaker, as I said earlier today, Rome was not built in a day, and neither will this FinTech industry be built in a day. I can assure you that Bermuda's insurance industry was not built in a year, and neither will the FinTech industry be built in a year. But what I can say

is that this Government is on the right track, that we are heading in the right direction, and the proof is in the pudding.

So, Mr. Speaker, for Honourable Members on that side who may be curious, they can, like other members of the public, go on careers.bitcarbon.com, and they can see a listing for possible openings—I will see—for which they are able to apply, for 29 jobs that are going to be located in Hamilton, Bermuda, Mr. Speaker.

[Desk thumping]

Hon. E. David Burt: And I had the opportunity to speak to the CEO yesterday after I saw this advertisement in the newspaper. I had asked for my office to go ahead and set up a call. I had a conversation with him at 4:00 pm yesterday. He indicated that the first tranche of jobs which were advertised in the newspaper, 16 of them, are to be filled in the first quarter. The company is supported by very big Wall Street firms that are backing them. And he will be travelling to Bermuda on Monday to meet with me. And I will be happy to welcome him to the Island, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you.
Do you have a supplementary?

Mr. W. Lawrence Scott: I do have a supplementary.

The Speaker: Supplementary.

SUPPLEMENTARY

Mr. W. Lawrence Scott: Is the Premier able to share with this Honourable House and the country, how many FinTech companies have been incorporated here in Bermuda?

The Speaker: I think we heard an answer to that just a few minutes ago.
Premier.

Hon. E. David Burt: Mr. Speaker, I am happy that the Government Whip has asked me to clarify, because the Honourable Opposition Leader said earlier, and I counted up the number when I received the message from the Registrar of Companies earlier today. And the number is, as it currently stands right now, 52 incorporated FinTech companies in Bermuda, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you.

The next Member who is on the list who has indicated he would like to put a question this morning is the Member from constituency 11.

Would you like to put your question?

QUESTION 1: BUS SCHEDULE, AMOUNT PAID TO CONSULTANTS

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

Honourable Premier, there is some speculation about the amounts paid for consultants for this new bus schedule. Can you clear that up for us, please, sir?

The Speaker: Okay. Yes.

Hon. E. David Burt: Thank you very much, Mr. Speaker. I thank the Honourable Member for his question.

And I think that the question is valid. And I think that the Honourable Minister of Transport and the former Minister, the Deputy Premier, should be commended, after how many years and how much effort . . . there have been 17 years of effort. We finally have modifications to Bermuda's bus schedule. And they should be commended. These modifications are to modernise—

[Desk thumping]

Hon. E. David Burt: Thank you.

These changes to the bus schedule to modernise our bus schedule are just step one in making sure that we provide a more reliable and responsive bus service. What I can indicate to the Honourable Member is that, in 2017 and 2018, payments to consultants for the bus schedule (and I think the company is called Schedule Master)—

The Speaker: Premier, there is one minute left of this section of questions before we move on to the next Question Period.

Hon. E. David Burt: No problem. Got you.
—totalled \$25,156.

An Hon. Member: Wow. Wow.

The Speaker: Supplementary? You have got less than a minute. Forty seconds.

No Honourable Member wants to put a further question in 40 seconds?

Okay. That brings us to a close of the Premier's question period. But we will go on to the remaining 30 minutes for the Question Period, of the written questions and to Statements.

An Hon. Member: We have a minute.

The Speaker: Do you want to use your minute? We have got 25 seconds left.

Mr. Scott Pearman: I am grateful.

The Speaker: Okay. We will take the Honourable Member from constituency 22 in the 20 seconds that are left.

QUESTION 1: INVESTIGATIONS INTO ABUSE AT DEPARTMENT OF CHILD AND FAMILY SERVICES

Mr. Scott Pearman: Question for the Premier about the first of the two investigations into abuse allegations at the Department of Child and Family Services.

Has the first investigation been merged into the second, or is the first investigation now completed?

The Speaker: Premier, you have got three seconds.

Hon. E. David Burt: Mr. Speaker, I will undertake to get back to the—

The Speaker: Time is up. The alarm has gone off here. The question got put.

[Laughter]

QUESTION PERIOD

The Speaker: We now move on to the questions [answered in writing]. And I believe the written [answers] do not require an oral response. It is just an indication that the Member who asked the question . . . have you got your [response in writing](#)?

Yes.

QUESTION: 100 JOBS INITIATIVE UPDATES

Hon. Michael H. Dunkley: 1. Will the Honourable Minister please provide to this Honourable House a list of all jobs created by commencement date, job title and the employer pertaining to the 100 Jobs Initiative announced in March 2018?

Hon. Michael H. Dunkley: 2. Will the Honourable Minister please provide to this Honourable House a list of what jobs remain filled as of 30th November 2018 and with what employer?

Hon. Michael H. Dunkley: 3. Will the Honourable Minister please provide to this Honourable House an update on what procedure is in place to continue this program, and to ensure the effective monitoring of it going forward?

The Speaker: So we will now move on to the questions that come as a result of the Statements this morning. And there—

Hon. L. Craig Cannonier: Mr. Speaker. Mr. Speaker. Just as a reminder, last week . . . I still have not received answers to my questions from the Premier.

The Speaker: Okay.

Hon. Michael H. Dunkley: Mr. Speaker, the same regarding . . . I think the Honourable Premier deferred questions to myself. I am still waiting for answers.

The Speaker: Okay. All right. We will deal with the questions right now, and we will come back to following up on those.

[Inaudible interjection]

QUESTION: GOVERNMENT TRAVEL EXPENSES

[Answer deferred 7 December 2018]

Hon. Michael H. Dunkley: Will the Honourable Premier please provide to this Honourable House a complete list of any trip paid out of the consolidated fund that has been taken by any Government Member of Parliament or Government Senator from July 18th 2017 through November 23rd 2018 inclusive of purpose of trip, travel destination and all costs associated with the trip in itemised fashion?

The Speaker: We will give you a brief response.

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

Mr. Speaker, pursuant to Standing Order 18(4), regarding the Minister may, with leave of the House, defer answering a question, I look to seek leave to defer answering that question until the next time the House sits.

The Speaker: That requires the consent of the House.

Is the House giving consent for the Premier to seek the leave of the House?

Some Hon. Members: Yes.

Hon. Michael H. Dunkley: It is Monday, sir.

Some Hon. Members: Monday. Yes, Monday.

The Speaker: Okay, Premier.

[Motion carried: Consent given to further defer answer to the next sitting of the House of Assembly.]

The Speaker: Now we will move on. The first Statement that has questions this morning is the Statement by the Minister of Finance in reference to the Consolidated Fund. You have a question that the Member from constituency 23 would like to put.
Member.

QUESTION 1: CONSOLIDATED FUND FINANCIAL STATEMENTS 2018

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

Mr. Speaker, according to the Minister's Statement on page 2, this is the first qualified audit since 2013. Can the Minister explain to us, in the absence of the information that was required by the auditor to complete, how do we know that the financial statements represent fairly this condition, if the auditor does not have the necessary information?

The Speaker: Thank you.
Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I believe I mentioned in my Statement that, subsequent to the deadline put in place by the auditor having the material, we provided information with respect to the items that were outstanding. So, before her opinion was written, the information that she had requested from the Accountant General was in her possession.

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

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

The Speaker: Supplementary. Yes.

SUPPLEMENTARIES

Hon. Patricia J. Gordon-Pamplin: And that is in respect to the first part, and that is in respect to the \$10 million. Why was there a delay?

The Speaker: Minister.

Hon. Curtis L. Dickinson: I cannot speak to the specifics of why there was a delay, other than to say that I have challenged the team to do better, going forward. We are looking at processes with a view towards potentially changing the entry process and the validation process with respect to capital expenditures.

The Speaker: Thank you.
Supplementary or new question?

Hon. Patricia J. Gordon-Pamplin: Supplementary.

The Speaker: Continue.

Hon. Patricia J. Gordon-Pamplin: Could the Minister explain what the capital development expenditures primarily comprise?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I will have to come back to the Member with the information specifically related to the \$10.3 million. I was briefed over two weeks ago. It [has] moved out of my mind. I will come back to her with an answer to that.

The Speaker: Thank you.
New question?

QUESTION 2: CONSOLIDATED FUND FINANCIAL STATEMENTS 2018

Hon. Patricia J. Gordon-Pamplin: Yes, new question.

On page 5 of the Minister's Statement, second paragraph, the Minister indicated that the Government shares the Auditor's concerns and has started to tackle the matters. And he further says, "The Ministry of Finance has already put in place a plan to eliminate the deficit and, ultimately, reduce the debt." Can the Minister share the highlights of the plan?

The Speaker: Thank you.
Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I think I have said publicly before that the plan is to take a hard look at revenue and a hard look at expenses, with a view towards increasing the surplus, that the operating account align with the current account surplus. There has been a \$2.5 billion debt ceiling which has not been raised. We are looking at implementing fiscal discipline around how we spend our money, doing a better job of collections and, ostensibly, growing the economy strategy.

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

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

The Speaker: Yes.

SUPPLEMENTARIES

Hon. Patricia J. Gordon-Pamplin: The Minister said that he will take a hard look at revenue and expenses. Was not a hard look at revenue and expenses conducted at the point of the budgeting process in respect of this current fiscal year?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, the Member will be aware that I was elected on June the 7th of 2018. I was not a party to the process that was conducted for the last year's budget development. So, I cannot speak to that.

The Speaker: Thank you.
Supplementary or new question?

Hon. Patricia J. Gordon-Pamplin: Supplementary.

The Speaker: Yes.

Hon. Patricia J. Gordon-Pamplin: Does the Minister acknowledge that his responsibility as Minister is to find out what is on the table and what is coming through the pipeline, irrespective of the fact of whether he was in charge?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I am focused on developing a budget for 2019/20 and beyond in my tenure as Minister of Finance.

The Speaker: Thank you.
Well, you have used your two supplementaries. Is this your third question?

Hon. Patricia J. Gordon-Pamplin: Yes. I will make it a third question.

The Speaker: Okay.

QUESTION 3: CONSOLIDATED FUND FINANCIAL STATEMENTS 2018

Hon. Patricia J. Gordon-Pamplin: Is the Minister satisfied that the period that he does not know about, that he has just explained, will be able to be satisfactorily accounted for, going forward, when we do the next budget for 2019/20?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I believe I referenced in my Statement earlier that I have challenged the Ministry of Finance team, in particular the Accountant General's department, to take a hard look at the areas where we have identified potential issues, with a view towards not getting repeat qualifications on the audits for next year.

I would say that, in the financial statements that the Government has produced every year, for the last several years there have been no qualifications at all. And so, on the basis of that history, I am confident that we have the ability to kind of get the statements done on time. But, as Members will know, there is always opportunity for improvement, to make improve-

ments in the processes. And we are looking at opportunities to make changes in our processes with a view towards getting a better outcome.

The Speaker: Thank you.

Hon. Patricia J. Gordon-Pamplin: Supplementary.

The Speaker: Supplementary?

SUPPLEMENTARIES

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

Could the Premier . . . sorry, that might be a Freudian slip. Could the Minister of Finance explain, what are the impediments which need to be improved upon in order that we do not have further qualifications of opinion?

[Inaudible interjections]

Hon. Curtis L. Dickinson: Mr. Speaker, the Government of Bermuda has computer systems that are probably not the most current. In order to update those systems, it is going to require substantial investment. While we are looking at kind of being prudent about how we spend our money, at the same time we are trying to be prudent about how we prioritise the things that we think we need in order to do our jobs better.

I would inform this Honourable House that the process around payroll tax last year was one that required a fundamental change in how taxes were collected, how taxes were computed. And there was a manual process that went about in terms of figuring out how to validate numbers that did come in.

And so, I think, with experience, with the introduction of a new system, which is currently in process, I am confident that we will improve the processes and be better positioned to meet deadlines.

The Speaker: Thank you.
Second supplementary?

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

With respect to the payroll tax collection, the new payroll tax structure had come into effect in April. But it was delayed until the July quarter, which means that, by September, the payroll under the new regime, as it were, would have been in effect.

Is the Minister satisfied that there is sufficient staff appointed by the Payroll Tax Office to ensure that the vetting and verification processes to which he spoke have now been addressed and that there are no further difficulties expected, given that there has also been another change in the lower bands of the taxation structure, the payroll tax structure?

The Speaker: Thank you.
Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I would like to be able to kind of say with 100 per cent confidence that tomorrow it is going to be a sunny day.

[Laughter]

Hon. Curtis L. Dickinson: The team is a good team. They work really hard. There are a number of manual processes. I think that we are learning as we go along. I am confident that they are going to give it their best effort.

Can I guarantee that we will be able to get everything done on time next quarter, and the next subsequent quarters? I cannot. But we are focused on doing the best that we can to make sure that we do not get another “qualified” opinion.

The Speaker: Thank you.
That brings us to an end . . . oh, supplementary?

Hon. Wayne L. Furbert: Yes.

The Speaker: Okay. Yes, supplementary from the Junior Minister.

SUPPLEMENTARY

Hon. Wayne L. Furbert: Yes. Thank you, Mr. Speaker.

Would the Minister agree that, if we had not filed the financial statements in time, possibly we could have paid \$1 million like the OBA paid in the years before?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, in the spirit of my previous comments, I cannot with any certainty predict how much the penalty would have been. But had the statements been late, there would have been a penalty.

The Speaker: Thank you.
No further supplementaries? That brings us to a close to the questions regarding your first Statement.

However, Minister, you have questions put in regard to your second Statement. There are two Members who wish to ask questions.

The Member from constituency 8, Member Simons, would you like to put your question?

QUESTION 1: INTERNATIONAL LAW FIRMS IN BERMUDA—LICENCE CONDITIONS

Mr. N. H. Cole Simons: Thank you, Mr. Speaker.
In regard to the international law firms in Bermuda, the Statement indicated that the Bermuda Bar Council declined to put forward a formal response. Have they given you any reasoning as to why they have declined to make contribution, given the important role they play in regulating the legal fraternity in Bermuda?

The Speaker: Minister.

Hon. Curtis L. Dickinson: I have been advised, Mr. Speaker, that the Bermuda Bar Council submitted a number of letters to the Registrar of Companies, dating back five to six years ago. That was their submission at that point in time.

The Speaker: Thank you.
Supplementary? Second question?

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

The Speaker: Yes. Continue.

Mr. N. H. Cole Simons: The Statement also . . .

The Speaker: Is your microphone on?

[Crosstalk]

The Speaker: There you go.

QUESTION 2: INTERNATIONAL LAW FIRMS IN BERMUDA—LICENCE CONDITIONS

Mr. N. H. Cole Simons: On page 4, the Statement says, “Each licence application will be decided on the following provisional conditions, which are intended to preserve the interests of Bermudians” My question is this: In the application process, when you guys were crafting the parameters, did you consider insisting that their business plan have some area that speaks to bringing new business to Bermuda and not cannibalising existing business that is already in Bermuda?

The Speaker: Thank you.
Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I will say that, as a capitalist, I believe in competition. And, inasmuch as new firms are allowed to enter into this marketplace, and they are allowed to fight for business, I think the benefit of that accrues to the client. So, no, I did not.

The Speaker: Supplementary?

SUPPLEMENTARY

Mr. N. H. Cole Simons: Mr. Speaker, the follow-up is, so these business plans that are reviewed, we do not insist that the applicants show some avenue whereby they would bring new business to this country? They can come here, set up and cannibalise what is here, and not bring anything to the country?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, for the benefit of the Honourable House, that phenomenon exists today, and those companies are not here.

The Speaker: Supplementary? Supplementary. Okay. Minister, the next Member who has a question for you is the Member from constituency 23. Member, would you like to put your question?

QUESTION 1: INTERNATIONAL LAW FIRMS IN BERMUDA—LICENCE CONDITIONS

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

Mr. Speaker, on page 5 of the Statement, under item 3, with respect to the pre-conditions for law firms to be set up, the provision of scholarships for Bermudian law students . . .

Let me first of all, just quickly, say that the pre-conditions are wonderful and we support them—*wonderful*.

Hon. Curtis L. Dickinson: Thank you.

Hon. Patricia J. Gordon-Pamplin: But the question is, if a new firm is being established in its first year, will its cash flows be considered, in respect of their requirement, to ensure that scholarships are provided to Bermuda law students? In other words, will they be required from year one, or will there be a building-up period before they are required to provide scholarship funds for Bermudian students?

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, the purpose of the Statement is to speak to international law firms potentially entering Bermuda. Inasmuch as they are international firms, these are recognised firms that have existing businesses. And I would be hard pressed to grant approval for any firm that could not commit initially, fully out of the box, to providing scholarships for Bermudian students or Bermudians in general. So, I will look at each application with some level of scrutiny and make a determination on whether

the business plan is appropriate and in keeping with the spirit of the pre-conditions.

The Speaker: Thank you.
Supplementary or new question?

Hon. Patricia J. Gordon-Pamplin: No, a supplementary.

The Speaker: Yes.

SUPPLEMENTARY

Hon. Patricia J. Gordon-Pamplin: And I wonder if the Minister could just, for clarity, explain whether he is not accepting that a local company being established is a separate corporate person, and therefore stands on its own for the purposes of setting up in Bermuda? So, therefore, is he only going to consider the consolidated group capabilities financially in determining whether a company is in the position to provide scholarships?

So, maybe, to clarify the question, is he relying on the international entity to establish the scholarship fund, as opposed to the local entity that is newly to be established, to be able to support itself in establishing the fund? However the money comes in, I am happy with it. But I just want to know.

The Speaker: Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, in my mind, part of the construct is that the international law firm is deciding to make an investment in Bermuda through its affiliation or an arrangement with a local law firm. And I would expect that the investment will come with some form of capital contribution. So, I accept the Member's point; but, with the opportunity and the ability to operate in this market, you have got to dig into your wallet to kind of help to capitalise the company that you are going to be supporting.

The Speaker: Thank you.
Supplementary? No question?
Okay, Member. That brings us to a close of the questions that were put for you today.

We will now move on. The next Statement for which Members have questions is for Minister De Silva in regard to your Statement on maritime operations. And the question is from the Honourable Member from constituency 23.

Honourable Member, would you like to put your question?

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

[Inaudible interjections and laughter]

The Speaker: Members, Members. You can discuss your favourites at another time.

**QUESTION 1: IMPLEMENTATION OF THE
INTERNATIONAL MARITIME ORGANIZATION
(IMO) INSTRUMENT IMPLEMENTATION
CODE (III CODE)**

Hon. Patricia J. Gordon-Pamplin: Mr. Speaker, on page 4 of the Minister's Statement, he indicated that there had been a visit to have a look at our existing MOU with the Coast Guard with respect to major oil spill response, the purpose of the visit with the Guard Strike Team in September was to discuss oil pollution response readiness and to review the existing MOU. The question is, Were there any weaknesses identified in respect of our oil spill response, as a result of that visit which was made by the Guard Strike Team?

The Speaker: Minister.

Hon. Zane J. S. De Silva: Thank you. Thank you, Mr. Speaker. And that Honourable Opposition Member is one of my favourites, too.

The Speaker: Now. Let us not take up your time in talking about favourites.

[Inaudible interjections and laughter]

Hon. Zane J. S. De Silva: Look. I just did not want Minister Caines . . . I just want to be transparent with Minister Caines, who thought he was number one.

The Speaker: Well, let us stick to your response. Let us stick to your having a response.

Hon. Zane J. S. De Silva: Okay. Mr. Speaker, what I can do is seek that information and get it back to the Honourable Member.

The Speaker: Thank you.
Member, any supplementary?

Hon. Patricia J. Gordon-Pamplin: No, I have a second question. Since the Minister does not know the answer to one, it is difficult to ask a supplementary.

The Speaker: Second question. Go ahead.

**QUESTION 2: IMPLEMENTATION OF THE
INTERNATIONAL MARITIME ORGANIZATION
(IMO) INSTRUMENT IMPLEMENTATION
CODE (III CODE)**

Hon. Patricia J. Gordon-Pamplin: But, number two is, Is there a date certain for the implementation of the new legislation that is required, as the Minister has referred to in his Statement, in advance of the Sep-

tember 20 audit? Is there a date certain by which we must implement the legislation by which we are now deficient in order to ensure that the September 20 audit is satisfied, the conditions are satisfied?

The Speaker: Minister.

Hon. Zane J. S. De Silva: Yes. It is in the Statement, Mr. Speaker. In fact, I think I highlighted it. It is September next year, I believe.

The Speaker: Thank you.
Supplementary?

Hon. Patricia J. Gordon-Pamplin: I could clarify my question. It is not a supplementary. I would just to clarify.

The Speaker: You did not get the answer you were seeking, or it was misinterpreted?

Hon. Patricia J. Gordon-Pamplin: No, because I think he misunderstood my question.

The Speaker: Okay. Clarify your question.

Hon. Patricia J. Gordon-Pamplin: Okay. The question is . . . the Statement indicates that the audit will be conducted in September of 2020. The Minister also indicated that, in advance, there are several [pieces of] legislation that are required to be advanced in order to ensure that the 2020 conditions are met. My question is, Is there a date certain in advance of 2020 by which the necessary legislation must be put in place in order to satisfy what is needed for the 2020 investigation?

The Speaker: Okay.
Minister.

Hon. Zane J. S. De Silva: Yes. Thank you, Mr. Speaker. And I will refer to my Statement. And I will quote: *Mr. Speaker, the development is scheduled to take place in two phases. The commencement of phase 1 is subject to the process of satisfying regulatory requirements and permission. Completion is targeted for May 2019.*

The Speaker: So, to sum it up, the legislation will be done in the early part of 2019.

Hon. Patricia J. Gordon-Pamplin: Right. That is my question. Is there a defined date? If I can just maybe explain a little.

With the CFATF [Caribbean Financial Action Task Force], we knew that we had to have stuff in place by September 30. With what we are going to do next, we know that we have to have things in place by December 31. So, in order to have things in place, is

there a specific date to say that it is going to be completed by May? Is May the time? Or is there any slippage between May and later on? So, in other words, is there a date certain that must be satisfied?

The Speaker: But I take it that it has to be done by May, based on the Minister's Statement.
Minister.

Hon. Zane J. S. De Silva: Mr. Speaker, I do not know what part of that the Honourable Member does not understand. Completion is targeted for May 2019. So, today is December [14]. Okay? It will be completed by May 2019. I do not know why the Honourable Member does not understand that.

The Speaker: Thank you.

Hon. Patricia J. Gordon-Pamplin: Supplementary.

The Speaker: Supplementary?

SUPPLEMENTARY

Hon. Patricia J. Gordon-Pamplin: Yes.

The Minister indicated that completion is *targeted*. He did not say completion *will be effected* by that date—the target date. So, my question is, if it is not done by May of 2019, is there any slippage that is allowed? Or is it that the target date is the drop-dead definitive date certain?

The Speaker: Minister.

Hon. Zane J. S. De Silva: Mr. Speaker, I just have to go back to that Statement. We are going to set that date as the target date, and that is the date it will be done. I can assure the Honourable Member that, unless the Lord above has other plans, that target date will be met.

The Speaker: Thank you, Minister.

Minister, there were no further supplementaries. That brings us to an end of questions for you, Minister. That actually brings us to an end of the Question Period. There were no other Members who wanted to put questions to any of the remaining Statements. So, we can now move on.

CONGRATULATORY AND/OR OBITUARY SPEECHES

The Speaker: Does any Member wish to speak to that?

We recognise the Honourable Minister Caines. Minister Caines, you have the floor.

Hon. Wayne Caines: Mr. Speaker, I rise to offer condolences to the family of Commissioner Frederick "Penny" Bean.

The Speaker: Yes.

Hon. Wayne Caines: And I have been asked to associate the whole House with my comments.

The Speaker: Yes, that would be fitting.

Hon. Wayne Caines: Mr. Speaker, this is a giant. Mr. Bean was a giant in our community. Mr. Bean joined the Police Service at 19 years old, in 1956. He attended courses at the Scotland Yard. He rose through the ranks at a very rapid clip, Mr. Speaker. He led the Narcotics Department. He was a chief inspector. He became a superintendent in 1973, after just being appointed a chief inspector in 1971. And in 1973, he rose to the ranks as a superintendent. In 1981, he became the firstborn Bermudian to achieve the rank of Police Commissioner.

When I have been hearing all of the accolades and all of the words that have been spoken about what he has done, acknowledgments of his 35 years of service, his receiving the Order of the British Empire in 1991, something that resonated very clearly to me was that which he brought to the Bermuda Police Service. Some of the police officers, ex-police officers, men who have now risen through the ranks—Socky Adams and Cal Smith—many men who have retired and gone on, have said that he did one thing to the service. He fostered a sense of pride, a sense of discipline, a sense of camaraderie.

And he connected the young men through leadership to their community. Oftentimes, we see the young constables, and we acknowledge the fruit. But he represented the root of a Bermudian police officer. He rose through the ranks and then was able to take his knowledge and pass it down to young men and young women in the Bermuda Police Service.

A number of young police officers whom I have spoken to have given their lineage in the Bermuda Police Service. And at the top of the pyramid of leadership, of dedication, of discipline, of honour is Frederick Penny Bean. He has given our community yeoman's service. His family have supported him. We acknowledge his family member, Mr. Cole Simons, in the House. I sure he will rise to make his personal and family comments.

But, on behalf of the Ministry of National Security and the people of Bermuda, I would like to share that this country is grateful for his service. Our Ministry is indeed grateful for his sacrifice.

Thank you very much, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

We recognise the Minister De Silva. Minister, you have the floor.

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

Mr. Speaker, I would like the House to send congratulations to a bus driver by the name of Malachi Smith. And the reason I say that, Mr. Speaker, is that I received an email from a frequent user of the bus service this week. And she said that this particular bus driver goes over and beyond the call of duty. It seems that every time she is on the bus, she witnesses a good act of some kind. And I just thought it was appropriate for me to pass it on, Mr. Speaker, because, you know, we are quick to highlight when something is not quite right or when things go wrong or when someone is not quite doing their job in the correct manner. So, I thought that it would be good for us to highlight this, and I think that the House should send congratulations.

Whilst we are talking about bus drivers, Mr. Speaker, I would certainly like to congratulate all of the bus operators in Bermuda, because what many people may not know is that, on one of my recent visits, I went into the staff room. And they have a pool table. And, of course, outside of challenging anybody to pool, because you know I did play a little bit of snooker—I still do, Mr. Speaker.

But the thing is that they told me something that really touched my heart. And I think that all of Bermuda should know. During the last 15 to 20 years, they have donated . . . this is the staff now, just playing pool and paying to play the pool. You know, it is not like it costs \$20 per game. They have donated over \$22,000 to various charities in the country, Mr. Speaker. And I thought that this, again, should be something that should be highlighted and recognised [about] all of the bus operators in the country.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

I recognise the Honourable Member from constituency 9.

Honourable Member Moniz, you have the floor.

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

I just want to rise to my feet today and give the condolences to the family of Dr. Clarence “Tessi” Terceira. He was in his 91st year, I think. I was surprised he had such an advanced age. I had the pleasure of serving with Tessi in Parliament during 1993 and 1997, but I also knew him before that. When I was a child, he was my dentist. He was always a very upbeat individual. He was always a happy person, very energetic, and he got on with the job at hand. I was lucky enough to also serve under him when he was Minister of Education. I served as Chairman of the Board of Education before I became a Member of

this House. I think he served in ministerial positions as Minister of Health, Minister of Education and Minister of Public Works. And I remember that, as Minister of Public Works, he was involved with the building of the incinerator, as well as the Broadway/Tessi’s Highway that people talk about.

I know his children. Joy is a constituent of mine. Paul, I knew from school. Tim, of course, works in hotels and managed the Tucker’s Point for a period of time. And his daughter, Lesley, his present wife, Joan—I know that his first wife predeceased him. I would like to send our best wishes from the whole House on Dr. Terceira’s passing. He made a great contribution of public service to Bermuda.

Thank you, Mr. Speaker.

The Speaker: Thank you.

Does any other Member wish to speak?

I recognise the Government Whip.
Honourable Member.

Mr. W. Lawrence Scott: Thank you, Mr. Speaker.

I would just like to ask this House to send a letter of congratulations to Mr. Akil Darrell. He was highlighted in the newspaper this week for helping to raise \$9,000 for the Foster Parents’ Association. The way he did it is what makes it a bit outstanding. During his birthday, instead of asking for gifts, he asked the community to donate to the Foster Parents’ Association. And I will associate the whole House with that. And it is kind of him because he actually puts the literal meaning into the saying, *It takes a village to raise a child*. So, he gave up his gifts and asked everybody to provide donations to this charity.

In the newspaper article, it shows that the charity says that they are not one of the big charities. They are not a charity that normally gets donations or gets people looking out for them or actively seeking them. So, they were grateful, as well. And the thing is that his reach, his popularity and his friends allowed for funds to come in from all over the world, from the United States, from Canada, from the UK. So, I think that more actions like these should be highlighted. More members of the community should take this on. And I think it is an amazing, amazing event that he did and an amazing outreach, and it shows the compassion that he has. So, I would just like to thank Mr. Akil Darrell, known by some as Saeed. My interest is that he grew up in God’s country, in Warwick, Jones Village, Khyber Pass. So—

[Inaudible interjections and laughter]

Mr. W. Lawrence Scott: So, I just want to let him know that he is very much appreciated, and to keep up the good work.

The Speaker: Thank you, Honourable Member.

We now recognise the Honourable Member from constituency 11.

Honourable Member, you have the floor.

Mr. Christopher Famous: Good morning again, Mr. Speaker.

The Speaker: Good morning.

Mr. Christopher Famous: I rise today to give condolences to the whole of St. George's on the loss of—

The Speaker: For the loss of Cup Match?

[Laughter]

The Speaker: We have been waiting all year for you to do that one. Yes?

Mr. Christopher Famous: Okay. You got me there. You got me there.

[Laughter]

Mr. Christopher Famous: I need an extra minute on my time now.

On the loss of Mr. Phillip “Phoopa” Anderson.

The Speaker: Yes.

Mr. Christopher Famous: Mr. Anderson, as we all know, was a proud St. Georgian. He was a Councillor in the Corporation of St. George's. But, more importantly, he was the consummate concierge in St. George's Square for all visitors. My last conversation with him was an avid argument on Facebook about not enough being done for St. George's.

And I told him, *Hey, I can't speak for St. George's. They have got two people in the House.*

He said, *Still, more needs to be done!*

An Hon. Member: Nice job. Nice job.

Mr. Christopher Famous: Yes, yes.

Anyway, another minute now. He was also a proud sailor. He had sailed in various Caribbean islands. He was a proud tennis player. And for our side, he was a proud PLP lifelong member. And it is safe to say, Mr. Speaker, that we would not have the two seats that we have in St. George's without the footwork of people like Mr. Phoopa Anderson. So, I would again like the House to send condolences to the entire [Town] of St. George's for the loss of one of their stalwarts. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member. Does any other Honourable Member— We recognise the Minister of Finance. Minister.

Hon. Curtis L. Dickinson: Mr. Speaker, I rise this morning to ask the House to send birthday wishes to Mrs. Izola Maria Harvey, Scour Hill, Somerset, constituency 33, Sandys South. And I am sure that you, Minister Wilson, Mr. Simmons, Honourable Member Simons, and MP Scott will also associate themselves with these remarks. Mrs. Harvey was born on December the 14th in 1925 to Edward and Louise Cholmondeley. She was the youngest of eight children. All of her siblings have predeceased her. And she has taken on the role of matriarch to her many nephews and nieces.

Mrs. Harvey left Bermuda as a young woman to go overseas to live in Boston with her uncle, to attend school. She returned to Bermuda and worked at the Lefroy House back when it was a children's hospital. In her late 20s, she married the love of her life, Mr. Gerald Harvey. Together, the two of them, along with some other folks, made history in the 1959 Theatre Boycott, as Members of the Progressive Group.

The Speaker: Yes.

Hon. Curtis L. Dickinson: Their involvement in this historic event remained a secret for over 50 years.

Mr. Speaker, Mrs. Harvey is the proud mother of two daughters, Donna Harvey-Maybury, a good friend of mine, and Lisa Harvey-Swan; and the grandmother to Gregory Maybury, Jr. Her good friends are typically younger people, probably because she has a very youthful spirit. She has been very quick to encourage and support young people. When she is your supporter, she is loyal to a fault.

On a personal note, I can recall having a particularly bad day in the bank and needing to go outside to take a walk. I was walking through the lobby, and I looked up and I saw Mrs. Harvey walking into the bank. And she said, *Hi, Curtis. How are you?*

And I said, *Hi, Mrs. Harvey.*

And she said, *Hi, Curtis. How are you? You're such a fine-looking young man.*

An Hon. Member: Aww!

[Laughter]

Hon. Curtis L. Dickinson: And I can tell you that those words—

The Speaker: Made your day, right?

Hon. Curtis L. Dickinson: —lifted my spirits.

The Speaker: There you go.

Hon. Curtis L. Dickinson: And I had a grin from ear to ear. And I lamented to Donna later that her 80-year-old mother was flirting with me.

[Laughter]

Hon. Curtis L. Dickinson: And she elicited such a smile from me. And I want to wish her a happy birthday.

The Speaker: Thank you.
Any other Member?
We recognise the Minister of Education.
Minister.

Hon. Diallo V. S. Rabain: Thank you, Mr. Speaker. And good morning, Bermuda.

Mr. Speaker, I would like to have condolences sent to the family of Mr. Albert Santucci. I had never personally met Mr. Santucci. But I do know his son. And his son is one of my constituents. And you know how you can always tell the character of a man by how he raised his children? And, Mr. Speaker, his son is a stalwart in the party. And I am sure that all of my colleagues who know Al and his wife, Andrea . . . And so, I just want to send condolences to that family, Mr. Speaker, as they grieve their loss of this wonderful man.

Mr. Speaker, I would also like to send congratulations to all of the participants in the Bermuda School Sports Federation Knockout Tournament that was held this weekend. What was hailed in this tournament as a success was the many girls' teams that played. We had teams entered from primary, middle and high school. Mr. Speaker, the winners of the primary division for females was Harrington Sound. Whitney won the middle school tournament, and Sal-tus won the high school tournament.

Mr. Speaker, on the boys' side, of course, they had more games. We had a Division 1 final in the primary, which was won by Warwick Academy; Division 1 in the primary was won by St. George's Prep. In the middle school, Mr. Speaker, Under-13s was won by Warwick Academy, and Over-13s was won by Dellwood. The Dellwood game was versus Sandys Secondary Middle School, which went to a penalty shoot-out. So, it was a very exciting match there.

Mr. Speaker, I am not sure who is going to groan and who is going to say *Yay!* to this, but the seniors Under-16 was won by the Berkeley's green team that beat the Berkeley's gold team.

The Speaker: Yes! Of course. Of course. Yes, we agree to that one.

An Hon. Member: Nooo!

The Speaker: The Member from [constituency] 11 supports that.

[Laughter]

Hon. Diallo V. S. Rabain: And the Over-16 was won by the Berkeley Institute, as well, Mr. Speaker. So, congratulations to all of those participants.

An Hon. Member: Mr. Speaker, I did not hear that?

The Speaker: Green team again! I know you are gold house, but you will have to suffer a little bit more.
Mr. Simons, you have the floor.

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

Mr. Speaker, a lot has been said and recorded in the media about my father-in-law, Commissioner Bean.

The Speaker: Yes.

Mr. N. H. Cole Simons: But I would like to take this opportunity to thank the Bermuda Police Service for the work that they have done in arranging the funeral for our family member. I would like to also thank the Minister of [National] Security, who has also helped in making a template that provided leadership in that space.

Mr. Speaker, Commissioner Bean always said to all of us, whenever we were around the table, *It is not where you come from. It is how you live your life, and it is what you make of your life.*

The Speaker: Mm-hmm.

Mr. N. H. Cole Simons: He said, *I came from very humble beginnings, a difficult beginning. But I learned from that. That was my foundation of strength.* And he said that, through that, he was carried to where he was and ended up at the top of his professional career. Mr. Speaker, he was proud to be a policeman. He was proud to be an inspector. He was proud to be Commissioner of Police. He taught discipline, respect to the organisation. And, because of that, he is respected by everyone throughout the community.

One other thing that I learned that was very, very interesting . . . you know, as we all know, he came up during tough times. And he said to us that there was racism in the police force. And what always remained with me was that he said, up until the 1980s, black policemen were not allowed to drive police cars. Only white people were allowed to. I find that very, very telling at the time. But things are progressing. We are getting closer in that issue, Mr. Speaker. And we are moving forward.

The other great thing that he did for our Police Service, that I think should be recognised, is the fact that policing is a very difficult job. It is a stressful job and a tenuous job. And so, he was the first commissioner to appoint a police chaplain. And this chaplain provides spiritual guidance and support to all of our policemen. And again, he is applauded for that.

As a family man, the Commissioner of Police loved his wife, his children, his grandchildren and, eventually, his sons-in-law.

[Laughter]

The Speaker: It took a little time. It took a little time, eh? But I understand. All right.

[Inaudible interjections]

Mr. N. H. Cole Simons: We had fun together. I will share with you, we did a number of boys' trips together, Mr. Speaker.

The Speaker: Good. Good.

Mr. N. H. Cole Simons: And I would say I had him and my father, the three of us, we went on a men's trip to Africa.

An Hon. Member: What stays in the trip?

Mr. N. H. Cole Simons: Yes. What stays in the trip remains in the trip, yes.

But we went to an African safari park, Mr. Speaker, and he talked about that for the rest of his life. It was a pleasure to have him as my father-in-law and a leader of this country and a leader of our family.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you.

We recognise the Member from constituency 19.

You have the floor.

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

Mr. Speaker, I would like to be associated with the remarks with respect to Mr. Albert Santucci. I was fortunate that Mr. Santucci worked at Port Royal. And, if you were a golfer at that point in time, he was one of those individuals whom you saw often. And he was known for being a hard-working employee. And I was so saddened to hear of his passing. So, I would like to be associated with the condolences to his family.

I would like to be associated with the condolences to the family of Frederick Penny Bean. When I first met Commissioner Bean, this was when I was doing a task for my father, in the sense that my father had built one of the barracks at the police, the police barracks. And they were giving him the shovel that had been used for the first breaking of the ground. So, that is how I got to meet Commissioner Bean, to go up and accept the shovel, because my father was not on the Island.

But I did get to meet him later on because, ultimately, I decided to play some golf. And Penny became one of my golfing partners. And I was so saddened to hear of his death. And I must admit that he was one of those individuals who played golf, but he was also very serious about what he did, but very friendly. And my heart is saddened.

With respect to the other condolences that I would like to be associated with, there is Dr. Tessi Terceira. I got to know Dr. Terceira inadvertently, from the point of view not so much from politics, but from the point of view. . . he was involved in politics, but he was really serious about Bermuda and what could be done. So, we would have chats about health, because, of course, ultimately, I was at the hospital and I did things as Director of Finance. And he was keen to talk about what things could happen to Bermuda and what changes could be made. So, he is another individual who . . .

I look and I say all of these things that we, as a country, have to recognise that we are losing a lot of what I call our senior capital. And I just wish all of us, anybody who is still alive and we know them, please make sure that we reach out to them. Because they are gone and gone too soon. So, Mr. Speaker, I would like to have the associations with these condolences. Thank you.

The Speaker: Thank you, Honourable Member.

Does any other . . .

We recognise the Honourable Member from constituency 23.

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

Mr. Speaker, I too would like to be associated with the condolences. I realise that the whole House has been associated. But I think it is important for me to give just one or two anecdotal situations with respect to "the Commish," as we used to call him.

I do not believe that there is one police officer who served under his guidance and direction who did not have a profound respect for "the Commish." He was one who not only held his position of authority, but he also mixed and mingled with his men. I had quite a few friends who served in the Police Service. And I knew "the Commish" because of his attendance at most of the police functions—they used to have lots of dances and the like—at the Police Club in Prospect, as well as the Police Club, at the time in St. George's. And he would attend all of those functions to show that he actually was the regular kind of guy.

But, he had an air of discipline that, once the line was crossed between the socialisation and the business aspect, it was very readily recognised and respected.

So, I wish his family comfort as they grieve the loss of this giant of a man. And I certainly join in thanking him for the service that has provided to this

country during his tenure as the Commissioner of Police, as well as what he has given to us as a member of our community. Thank you, Mr. Speaker.

The Speaker: Thank you.

Does any other Member?

We recognise the Honourable Minister.

You have the floor.

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

I would like to be associated with the condolences to [the family of] Commissioner Frederick Penny Bean, [the congratulations to] Mrs. Izola Harvey and [condolences for the family of] Albert Santucci, a constituent of mine.

Mr. Speaker, this week seems to be the week, and I guess it is the end of the year, when you celebrate long service. And certainly, in the Ministry of Public Works, we got a significant number of people who have dedicated a number of years of service in government service. In the case of the BLDC, there are three members of staff who are celebrating 41 years. In the case of the Department of Parks, there are 19 staff celebrating an incredible 355 years of service. In the case of the Bermuda Housing Corporation, there are nine staff celebrating an incredible 135 years. I will not name them, because that would use up all of my time, Mr. Speaker. But I would like to extend congratulations to them, and I will have an opportunity personally to do that to them during the celebrations that are taking place in that regard.

I would like congratulations, Mr. Speaker, to also be sent to the Bermuda Hockey Academy Islanders field hockey team. Mr. Speaker, this is a hockey team that is made up of young Bermudians, mostly from Middletown, in fact, who are playing a New York league every weekend. And part of the remit of doing this is that they have to have their grades up to par in order to be able to participate. They participated last weekend in an exchange for the team from New York. They lost the first game on Friday night when we were here, but they won the second game on Saturday morning.

I would also like congratulations to be sent to United Dance Productions, who had their Christmas performance last weekend at the Ruth Seaton James Centre—again, another outstanding occasion.

Mr. Speaker, this week I had the honour of attending the PACE [Professional and Career Education] Awards at the Fairmont Hamilton Princess, where a number of students, adult students primarily, graduated. I went in my capacity as the Minister, where we had 13 members of the Ministry of Public Works from various areas pass the Leadership and Management course.

And finally, Mr. Speaker, I would like to send congratulations to Purvis Primary School, who had their Christmas play, *Tis the Season*, last evening at

Purvis. It is always a special occasion, Mr. Speaker. But they did something different this year that everybody talked about at the end of the event. And that was, they played a Christmas carol from the Temptations. And they had five young men lip-sync this song. And, Mr. Speaker, I wish I had recorded it. Because it was absolutely amazing and it brought the house down. So, I would really like to send congratulations to Purvis Primary School. Thank you.

The Speaker: Thank you.

Does any other Member?

We recognise the Premier.

Premier.

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

Mr. Speaker, I apologise that I was not in the Chamber for the beginning parts of congrats and obits. I would assume that condolences have already been expressed by Members on the passing of the St. George's Councillor, Mr. Phillip Phoopa Anderson. I would like to be associated with those remarks. Mr. Anderson, of course, St. George's Councillor, a manager of the St. George's Visitors Centre, leaves to mourn his mother, Ismay Steede; children, Phillip and Cyniqua; siblings; grandchildren; nieces and nephews; and, especially, his niece who is our Honourable Member here in this House; and numerous extended family and friends in the St. George's community.

Everyone who knew Mr. Anderson knew how much of a force he was. You knew where he stood, and he was always forceful in his opinion. He was a life member of the Progressive Labour Party. The last time I had a chance to interact with him was at the most recent delegates conference at the Devonshire Recreation Club. And so, [I'm thankful] for that. I had a chance to visit with the family last evening, and I want to express the sincere condolences on behalf of all of my colleagues and associate myself, and I would say, on behalf of all Members of this Honourable House.

Of course, Mr. Speaker, we did have a moment of silence earlier for the passing of the late Minister, Mr. Clarence Terceira, an active politician in his day and a founding member of the former United Bermuda Party, a man committed to seeing reform of Bermuda's political and social structure. And with that, I wish to send heartfelt condolences to his wife, Joan, his children, and his numerous family and friends whom he leaves to mourn. And I hope that he may rest in peace. Thank you, Mr. Speaker.

The Speaker: Thank you.

Does any other Member wish to speak?

We recognise the Honourable Member from constituency 10.

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

Mr. Speaker, I would like to be associated with the condolences previously sent by honourable colleagues, first to late Commissioner Penny Bean. I had the opportunity to know Commissioner Bean for many years. And I called the family over the weekend when I heard of his passing. I always saw the late Commissioner as a very honourable and humble man, a man of impeccable character and a very compassionate man, who was always well grounded in what he did.

I was blessed to have played golf with him on a number of occasions. And, unlike me, when things are not going my way on the golf course, he managed to stay calm and think about the next hole. And it is with great sadness that we have learned of his passing, recently. He contributed greatly to our community through a time, a significant period of change, over many years. And we should never overlook that, and we should thank the Commissioner for the work he has done.

Also, I would like to be associated with the condolences sent to the family of late Clarence Tessi Terceira. I knew the former Member of this House not only in this House, because when I first got elected in 1997, I sat right behind the former Minister. And I was astonished at the first Budget Debate because, Mr. Speaker, you are well aware of the interpolations that will go back and forth. Well, Minister Terceira would just plough on right through. And it was not until a couple of years later that I learned that he was a little bit hard of hearing.

The Speaker: He did not hear any of that heckling!

Hon. Michael H. Dunkley: He could not hear what you were saying anyway!

[Laughter]

The Speaker: He did not hear it.

Hon. Michael H. Dunkley: And he was bent over his lectern, and he would just go on ahead.

The Speaker: Yes. Yes.

Hon. Michael H. Dunkley: I also knew him as my dentist when I was younger. And I will forgive him now, but he pulled six teeth when I was quite young and I had to have braces. But I will forgive him because he did great work then. And so, condolences to his family, whom I spoke to over the weekend.

On a brighter note, Mr. Speaker, I would like to extend [congratulations] to Second-in-Command Major Ben Beasley on being promoted to his position. I am sure colleagues in the House want to be associated with that. And while I do that, I would like to thank Major Furbert for a great job in the position that he held when he was Second-in-Command. Major

Furbert still is with the Regiment for a period of time, but he served there since 1984. And so, congratulations and thank yous are appropriate to those two fine people.

Thank you, sir.

The Speaker: Thank you.

Does any other Member wish to contribute this morning?

Before we move on, I would just like to add my comments in regard to the passing of Commissioner Bean. As a Somerset boy, I have known Mr. Bean all of my life. In fact, the Lister and the Bean families have had close relationships over the years, and I have always found Mr. Bean to be one who is very serious but fair, one who demanded respect and got respect. I think his place in history in becoming the first Bermudian to head the Police Service was well earned and will be well respected for time. But, again, my condolences. And I have spoken to the family, as many of you have done already. But I think it was noted that my comments should be added to yours today.

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 is one Government Bill to be introduced this morning.

Minister of Health, would you like to introduce that Bill?

MENTAL HEALTH AMENDMENT (NO. 2) ACT 2018

Hon. Kim N. Wilson: Mr. Speaker, I am introducing the following Bill for its first reading so that it may be placed on the Order Paper for the next day of meeting, namely, the Mental Health Amendment (No. 2) Act 2018.

The Speaker: Thank you, Minister.

OPPOSITION BILLS

The Speaker: There are none.

PRIVATE MEMBERS' BILLS

The Speaker: There are none.

NOTICES OF MOTIONS

The Speaker: There are none.

ORDERS OF THE DAY

The Speaker: We have now come to the Orders of the Day, and the understanding is that the first Order on the [Order] Paper will be taken up at this point. And that is the second reading of the Criminal Code (Sex Offender Management) Amendment Act 2018, in the name of the Minister of Health.

Minister, would you like to begin?

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

The Speaker: Continue, Minister.

Hon. Kim N. Wilson: Mr. Speaker, I move that the Bill entitled the Criminal Code (Sex Offender Management) Amendment Act 2018 be now read the second time.

The Speaker: Any objections?
No objections. Continue.

BILL

SECOND READING

CRIMINAL CODE (SEX OFFENDER MANAGEMENT) AMENDMENT ACT 2018

Hon. Kim N. Wilson: Mr. Speaker, I am delighted to present the Bill entitled the Criminal Code (Sex Offender Management) Amendment Act 2018 to this Honourable House.

The policy resulting in this enactment aims at addressing one of the most emotional crimes and harmful social problems facing our society. Sexual crimes often target the most vulnerable members of our society, including our children. They are often perpetrated by persons in positions of trust, resulting in lifelong emotional and psychological trauma for victims.

Mr. Speaker, available data collected from the Judicial Department reveal that the number of sexual offences, or instances of offending, for which persons have been prosecuted in Bermuda during the past 17.5 years is more than 440. Offenders during this

period amount to approximately 260 individuals. This averages out to approximately 25 offences per year. I must highlight that this number includes offences such as indecent exposure, voyeurism and unlawful carnal knowledge related to youthful offenders, usually 16- to 18-year-old men.

Although the figures are alarming, this will put the subject matter into better perspective. At present, there are 12 sex offenders under active community-based supervision within the Department of Court Services, all of whom, Mr. Speaker, are or have been involved in sex offender programmes and/or treatment, based on their risk of reoffending as per the assessments utilised in the department. Those who have completed the programmes and who remain under active supervision can be involved in more extensive maintenance work, as deemed necessary, to minimise their reoffending risk. Six are actively enrolled in programmes at present, inclusive of one voluntary client. Four are fitted with electronic monitoring devices.

Mr. Speaker, this Bill comprehensively reforms the way that sex offenders are re-integrated and monitored in society upon their release. Appropriate measures are implemented to ensure that offenders recognise and understand the harm that they have inflicted. Studies show that this is vital to ending the cycle of reoffending. Programming to this end will begin when offenders are incarcerated and continue with an extensive supervisory regime in the community. These measures are aimed at minimising the opportunity to reoffend.

Mr. Speaker, of major concern in the current sex offender management process is when offenders refuse to complete sex offender programmes or treatment whilst in custody. This increases the risk of reoffending, raising concerns about offenders' eventual reintegration into society. Amendments to the Bill will prevent offenders who fail to complete court-ordered programmes or programmes included in their case plan during their period of incarceration from being released on licence or released on their earliest release date.

[Pause]

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

The Speaker: Continue on, Minister.

Hon. Kim N. Wilson: Mr. Speaker, additional provisions are made in the Bill for disciplinary offences for sex offenders whereby a sex offender may lose remission time if they do not complete mandated programmes during their period of incarceration. Mr. Speaker, to prevent identification of the victim, the Bill increases the penalty for an offence of publishing or broadcasting the identity of the complainant, or before

conviction, the accused in a trial relating to a sexual offence.

Mr. Speaker, the current notification and registration requirement for sex offenders resulted in ad hoc sex offender registration by the Bermuda Police Service. The compiled data were for law enforcement purposes only. Therefore, the Bill establishes a formal sex offender register to be maintained within the Ministry of Legal Affairs. The register will serve to provide more comprehensive and current data on sex offenders to facilitate targeted public notification and any other notification deemed necessary by the Minister.

Mr. Speaker, a proposal in the Bill gives the court power to order the Commissioner of Police to enter a sex offender's name in the register if they are sentenced to a period of imprisonment. The court will inform the offender that his or her name has been entered on the registry, as per the Bill.

Mr. Speaker, the Bill further optimises effective offender treatment, supervision and collaborative management with the appointment of an Offender Risk Management Team. This team will be specifically tasked with management of the supervision and oversight of the sex offenders release into the community post incarceration. The team will ensure sufficient oversight to monitor compliance and to proactively prevent reoffending with the ability to have the sex offenders assessed by professionals, should their risk appear to be elevated.

Mr. Speaker, in outlining some of the particulars of the register, the period of registration will be for 10 years or more, as determined by the Offender Risk Management Team, as per the Bill, and in accordance with the guidance in the Codes of Practice to be issued by the Minister. Additional provisions are made for any person whose name appears on the register to have to submit to an assessment and reporting requirements as outlined by the team. It is important to note that the period of registration is suspended during any time in which the offender is imprisoned.

Mr. Speaker, sex offenders on the register will be subjected to specified conditions and must also notify the Offender Risk Management Team of any additional changes to their circumstances. In particular, Mr. Speaker, the offender must inform the team, in advance, of their plans to travel, and shall comply with such conditions as may be imposed by the team for the purposes of facilitating their successful reintegration into the community.

These include notifying the team in writing in advance of any intended change of address. An offender who fails to do so without reasonable excuse or provides false information to the team is guilty of an offence and is liable to a fine of \$3,000, or imprisonment for six months, and/or both.

Mr. Speaker, according to the Bill, a sex offender may apply to the court to reduce or terminate their time on the register on the grounds that he or

she does not present a risk of reoffending. Consequently, the onus of convincing the court to do so is on the offender providing proof to the court of their reduced risk.

Mr. Speaker, might that be a convenient point for me to pause? Or would you like me to continue? I am getting ready to go into a different area of the Bill.

The Speaker: It is now that time.

Hon. Kim N. Wilson: Mr. Speaker, I would like to adjourn to lunch until two o'clock, please.

The Speaker: Yes.

Any objections from the House?

No objections.

We now stand adjourned until 2:00 pm.

[Gavel]

Proceedings suspended at 12:32 pm

Proceedings resumed at 2:02 pm

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

The Speaker: Good afternoon, Members.

We are resuming the debate on the Criminal Code (Sex Offender Management) Amendment Act 2018 and the Minister of Health has the floor and will continue her presentation.

Minister?

BILL

SECOND READING

CRIMINAL CODE (SEX OFFENDER MANAGEMENT) AMENDMENT ACT 2018

[Debate continuing]

Hon. Kim N. Wilson: Thank you, Mr. Speaker.

Mr. Speaker, right before we rose for lunch I was indicating that according to this Bill a sex offender may apply to the court to reduce or terminate their time on the register on the grounds that he or she does not present risk of reoffending. Consequently, the onus of convincing the court to do so is on the offender, providing proof to the court of their reduced risk potential.

Mr. Speaker, as the register is not a public register, there are penalties for individuals who release information on the register without lawful authority as the Bill creates a new offence.

In addition, Mr. Speaker, the Public Access to Information (PATI) requests are not applicable to the register.

Mr. Speaker, the matter of sex offending—particularly against children—is a universal concern. This Bill also takes into consideration sexual offending outside of this jurisdiction for Bermuda residents. Therefore, any resident who offends overseas or any person becoming a resident in Bermuda must also register on the sex offender register as outlined in the Bill. The Bermuda Police Service has partnerships as well as MOUs with numerous policing authorities, such as the National Crime Agency, Interpol, [the] Royal Canadian Mounted Police (RCMP) and the FBI, just to name a few, to share information under lawful authority to protect our citizens. Bermuda is also considering become a signatory to international conventions, which may tighten information sharing protocols.

Mr. Speaker, concerns have been expressed about cases, usually involving younger offenders. Judicial discretion is usually exercised in these circumstances to not impose a sentence of incarceration upon conviction. In such circumstances it is befitting to follow the court's lead to impose further penalty. As included in the Bill, registration and supervision is, therefore, reserved for sex offenders whose crimes warrant a custodial sentence.

The codes of practice will be a guide for judges, magistrates and criminal justice partners for sentencing purposes as well as outlining periods that an offender should be on the register. For example, Mr. Speaker, a first-time offender for a minor offence, therefore, will not receive the same period of registration as a repeat offender for more serious offences. Conversely, a repeat offender should have more stringent conditions and longer periods of registration.

At this juncture I would like to elaborate on the role and function of the Offender Risk Management Team [ORMT] outlined in the Bill.

Mr. Speaker, the Minister appoints the team comprising: senior representatives from the Bermuda Police Service, the Department of Court Services, and the Department of Corrections. The team manages the supervision of offenders in the community according to its policies and procedures. The team is also actively in consultation with other governmental agencies and departments as outlined in their policies to: mitigate risk to further offending; require the offender to submit an updated risk assessment; and guide their management in the community. Training and certification will remain a requirement for certain members of the team and all members will engage in ongoing training to optimise its effectiveness.

Once an offender is in the community under supervision, Mr. Speaker, they are supervised by probation officers as subjects of probation, parole, or supervision orders. Supervision can also include the offender wearing electronic monitoring devices if deemed necessary. All other orders require the assessment for programmes, group work and treatment. The Department of Court Services delivers such programmes and services. In the absence of significant

numbers of sex offenders at any given time to constitute a running group, interventions are conducted by individual therapy and treatment regimes in conjunction with the department's psychologist.

It is valuable to share, Mr. Speaker, that maintenance work is delivered once an offender completes the required programmes and/or groups and offenders can always be reassessed by the psychologist if needed. In addition, referrals are made for psychiatric services as deemed necessary.

The partnership established with the consultant forensic psychiatrist from Mid-Atlantic Wellness Institute [MWI] allows for input from the consultant forensic psychiatrist for appropriate departmental clients. Further services may require additional referrals to MWI for those needs.

Mr. Speaker, persons who may no longer be subject to supervision by a probation officer will be managed by the Offender Risk Management Team as required. There were no previous provisions for monitoring, management and supervision of sex offenders post statutory orders. This new framework will allow for such oversight for sex offenders sentenced to a period of imprisonment for offences committed on or after commencement in accordance with section 6.4 of the Constitution. Whilst this may be seen by some to be an oversight, it is within the confines of the Constitution and legislative context.

Mr. Speaker, the Bill necessitates revisions of the 2008 protocol on the disclosure of information identifying sex offenders, and also imposes a mandatory requirement on the Minister to issue the protocol. The revised protocol, in turn, contains a more synchronised operational framework to coordinate stakeholders. It outlines the particulars of the more targeted sex offender management process to minimise or prevent reoffending. It also complements the more formalised system for sex offender registration mandated in its provisions.

These measures have been mentioned previously, and from the commencement date of this Bill the level of management, supervision, treatment and registration of sex offenders will optimise the protection of the community from further offending risk posed by these sex offenders. The level and extent of supervision is based on the risk posed to the community by the offender as well as the offender's needs for rehabilitation and intervention.

Mr. Speaker, we have conducted extensive research on the subject of a public sex offender register and we acknowledge the work of the Joint Select Committee as well as numerous views advanced by community stakeholders and members of the public. Our research has determined that, outside of the United States and South Korea, most other countries which have sex offender registers only make them available to limited sources, such as government officers. In fact, the United States is reviewing their practices as most states have had great challenges in

managing their offenders as a result of the public registers, which appear to have driven offenders underground. This has made their management and the ability [of authorities] to protect vulnerable persons from sex offenders far more difficult, Mr. Speaker.

It is significant to note that countries such as Canada, Australia, France, England, Germany, South Africa, Jamaica, Trinidad, the Cayman Islands and other British Overseas Territories employ this practice, whereby information on their registers is generally only available to police services, prisons, and probation personnel or any combination of the agencies listed, as well as government child protection departments.

Bermuda's position is similar and governmental agencies involved in child safeguarding play integral roles in conjunction with the team.

Mr. Speaker, a public sex offender register is not employed due to vigilante justice and other factors which limit the opportunities for offenders to reintegrate into society. There is significant empirical evidence and research that shows that a publicly accessible sex offender register does not help to reduce the recidivism rates nor does it, Mr. Speaker, assist offenders to successfully reintegrate into society or make communities safer.

In further contextualising this, Mr. Speaker, Bermuda is approximately 22 square miles in size. Our population is approximately 63,000 residents. Unlike larger jurisdictions, individuals tend to know each other and cannot move into an area where they are completely isolated and unknown. We are challenged with a NIMBY (Not in My Backyard) syndrome whereby no one wants sex offenders in or near their residences. They cannot be isolated. It is important to note that all offenders must be considered for release into the community at some point. With this in mind, the necessary monitoring and supervision measures are being put in place by this Bill.

Mr. Speaker, the Bill does acknowledge that there are instances when it will be appropriate to make blanket disclosures to the entire public about an offender. However, these will be exceptional cases where the offender's risk to reoffend are properly assessed to be very high and there is every indication that such disclosure is in the public interest.

Mr. Speaker, special disclosure arrangements with schools, day care centres, and other organisations working directly with children may be made as warranted with respect to particular sex offenders. Accordingly, special care provisions are made to ensure that victims are sufficiently armed with available information to optimise their safety.

As a general policy, Mr. Speaker, all victims will now be notified of the release of the sex offenders. In the case of minors, their parents, guardians or caretakers are notified of a sex offender's pending release from incarceration.

Additionally, Mr. Speaker, the Bill makes provisions for the Commissioner of Prisons to notify the Minister of a sex offender's pending release at least two months prior to the release date. This allows for adequate consideration of notifications to individuals, groups, or the public as per the revised protocol and for release planning. It also specifies whether the offender has completed the mandated programme.

The Bill, Mr. Speaker, demands close and effective coordination between stakeholders. These include the Bermuda Police Service, the Department of Corrections, the Department of Public Prosecutions, the Department of Court Services and the Judiciary. The stakeholders were consulted during the process of formulating the Bill and are aware of the provisions.

Whilst these partners are considered the major players in implementing, regulating, and overseeing this fortified structure, there will also be close partnering with other stake-holding agencies within this enhanced framework. Governmental agencies with roles in protecting children are key partners for the Offender Risk Management Team, and sub-groups will extend consultation with other service providers in the community moving forward as this is a foundation for more extensive legislative and operational changes.

Mr. Speaker, the management of sex offenders is not an easy task. However, protecting our children and the public at large is a priority and a duty this Government takes seriously. Therefore, Mr. Speaker, as captured by the provisions of this Bill, the effective oversight, management, targeted programmes, ongoing assessment, and registration of sex offenders will allow for more protections to the public. The established collaboration, research, programme evaluation, public relations regime, and information sharing will be maintained as we continue to further develop and expand the overall framework.

Mr. Speaker, no entity on its own can be effective in addressing the accountability framework for managing sex offenders. Similarly, no framework will satisfy all segments of the community, especially those affected by such crimes directly or indirectly. The framework contained in this Bill is a foundation for future policy and will help to provide a baseline for evaluation purposes in the future. We note that the provisions outlined in this Bill cannot be retroactive for constitutional reasons, which will surely disappoint certain individuals and groups. The Offender Risk Management Team, in mitigation of this, will aid in management responsibilities as well as offer services and support for offenders willing to receive such assistance who have already been sentenced.

Mr. Speaker, in the past year, during this administration, we have made at least one public notification and disclosed information to victims in at least six cases when sex offenders were released from incarceration. In addition to the data presented at the beginning of this brief, at least two sex offenders have

been recalled to prison for infractions of their orders. We have utilised all resources at our disposal to monitor sex offenders including: electronic monitoring devices; case conferences and case reviews—both at court and before the parole board; curfew checks; regular home and site visits; referral to treatments; as well as contacts and collaborations with significant others to verify information.

Mr. Speaker, these all have tightened the accountability framework for working with and monitoring sex offenders. As previously mentioned, there is also one sex offender who is voluntarily in a sex offender programme at the Department of Court Services.

Mr. Speaker, this Bill as tabled is a first step in ongoing work and policy development which involves collaboration, information sharing, management strategies, as well as further reviews to the legislation. We can assure Members of this Honourable House, as well as the wider community, that this Government will continue its innovative, research-based, and balanced approaches to address matters of significant concern in the community, inclusive of managing sex offenders and more thoroughly protecting the public from such crimes.

And with that, Mr. Speaker, I am pleased to be able to lead on this brief entitled the Criminal Code (Sex Offenders Management) Amendment Act 2018 presented by myself on behalf of the Honourable and Learned Attorney General who sits in these Chambers right now.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

ANNOUNCEMENT BY THE SPEAKER

HOUSE VISITOR

The Speaker: And I was just about to acknowledge the fact that we do have the Attorney General in our Chambers this afternoon.

Welcome.

[Criminal Code (Sex Offenders Management) Amendment Act 2018, Second Reading debate, continuing.]

The Speaker: Does any other Member wish to speak?

We recognise the Honourable Member from constituency 22.

Honourable Member Pearman, you have the floor.

Mr. Scott Pearman: Thank you, Mr. Speaker. And I thank the Minister for her commendable presentation.

As done in the past, I would like to offer commendation as well as constructive criticism. So, by way of commendation let me say that the Opposition

agrees with the Government that the creation of a register is a very positive step and one which, I think, all in the House should welcome for Bermuda.

I have, Mr. Speaker, a number of points on the legislation itself that I will save to the Committee stage, but let me look a little further about how it was this Bill came to be.

Mr. Speaker, we are all aware that there was an extensive Joint Select Committee report that was produced by Members of Parliament. And just to remind ourselves, this was chaired by the Honourable Member Renee Ming; the Opposition Leader Craig Cannonier; Honourable Member Zane De Silva; Honourable Member Christopher Famous; Honourable Member Susan Jackson; Senator Crystal Caesar; and Senator Michelle Simmons.

So a wide group of those in the House who put their heads together and spent considerable time wrestling with this issue over a number of meetings and with a divergence of views that struggled to come together to propose a series of recommendations.

And when the report was tabled in the House, the Honourable Member Renee Ming said “¹we looked at a set of recommendations that could be put forth.” So that is why the Joint Select Committee spent so much time looking into this, so that recommendations could be developed and, it was hoped, deployed.

And when the Bill itself . . . excuse me, when the report itself came to be debated on the floor of the House, the Chairman of the Committee said this: “²I am pretty sure that there is something in here for just about everyone, and there are recommendations that I am confident that we, as parliamentarians, will adopt.”

Going on she said: “We had a total of ten meetings.” And it was “to decide what recommendations we wanted to put forth, what did we think was in the best interest of Bermuda and her children. We used that time to, I would say ‘share,’ but we truly did ‘brainstorm.’ We went back and forth, we decided what we thought would be the best way to proceed.”

And the report itself, as tabled and debated, came up with 14 substantive recommendations. I will come to those in a moment, Mr. Speaker, but the reason that I am mentioning all of this is that the Attorney General then publicly stated that the Bill itself that we are debating today was drafted before the Joint Select Committee Report. And that is a very odd state of circumstances because this Bill does not contain many of the recommendations that are made by the Joint Select Committee.

And of the 14 recommendations, only two appear to have been expressly taken up in the legislation. These are at page 14 of the commissioned Report, which I commend to those listening to the debate. But only two—number two and number five—

¹ [Official Hansard Report](#), 27 July 2018, p. 2934

² [Official Hansard Report](#), 10 August 2018, p. 3142

were expressly taken up. Numbers 1, 3, 4, 8, 9, 10 and 14 were not taken up at all, and it is debatable, and no doubt we may hear further when we get into Committee as to whether or not 6, 7, 11, 12 or 13 properly feature in the Bill, giving effect to the recommendations that were so carefully prepared.

Now I am not going to belabour all 14 points, but I will take three. One of the recommendations was that this register should be public, and it is not. A second of three big ones was that offenders would be placed in tiers—we would have high level, mid level and low level. And that makes sense because, for the reasons the Minister explained in her opening, there are people who will be deemed sex offenders by the law who may not have done what we think of when we think of sex offenders.

And I will just go back to what the Minister said. She gave some examples, which are still offensive crimes, but they are less offensive, perhaps—indecent exposure, voyeurism, and unlawful carnal knowledge with a minor. So we can suppose a situation where a youth, who is an adult, has sex with someone who is also a youth, but is not an adult technically because of the age of consent, but they may be boyfriend and girlfriend. They may be a year apart. And so, with respect, I think it is unfortunate that the Bill did not take the opportunity, as recommended by the Joint Select Committee, to look at the tiering system.

Thirdly, the biggest recommendation in this Report—in this Joint Select Committee Report—was recommendation one. And I will just read that, with your leave, Mr. Speaker.

The Speaker: Yes, continue.

Mr. Scott Pearman: This is recommendation 1 at page 14 of the Report:

“All convicted sexual offenders should be required to participate in a” (and this is now in bold caps) “MANDATORY treatment programme prior to their release from the correctional facility. Treatment should not be optional.”

And so I would invite the Minister, when she is back on her feet, to explain why it was that that core recommendation of the Joint Select Committee is not being progressed, because it is not. If one looks at clause 2 of the Bill, it only prohibits release on licence, which (for those who are not criminal lawyers or lawyers) is just release on a temporary basis to be returned, or to be released on an early release date. So it does seem from the Bill as presently presented that someone could be in prison, could simply refuse treatment, and when the end of his, or possibly her, sentence comes to the end, walk out without having had it, and nothing can be done.

Two other points. The first is penalties. It strikes me as odd, Mr. Speaker, that we have a sex offender register, it will now be private and protected,

and at page 5 of the Bill we see that if “any person who discloses information in contravention of this section commits an offence and is liable on summary conviction to a fine of \$10,000.” So if someone lets slip a name from the sex offender register, that is a \$10,000 fine. However, the convicted criminal—the sex offender—if he or she (but likely he) fails to keep the team informed when he moves from one place to another on the Island or fails to notify them when he travels abroad or fails to do any of the other things that are prevented by this Bill, all that happens to him—and it is [clause] 6—is a fine of \$3,000.

So some government official might accidentally leave a piece of paper on a photocopy machine and that person is in line for a fine of \$10,000, but the convicted—

[Inaudible interjection]

Mr. Scott Pearman: No, it is not “up to” (but thank you). Someone is correcting me saying it is “up to.” It is not. It should say “up to” and that is a point for Committee. It says “a fine of \$10,000.”

And the sex offender is merely there for a fine of \$3,000. So, respectfully, that does not . . . that just does not seem right . . . it does not seem very common-sensical, and I do not know how it is that penalties are analysed by those preparing these documents.

And lastly, again, a positive comment. The Minister made clear that this Bill was not to be retroactive. It was not to have retrospective, retroactive effect. It was to go forward. And I just make a point, because there were some Bills earlier in the year that were retroactive, and it is a good thing when we pass legislation not to make it retroactive. It is unfair to those who are subjected to legislation.

So I will save the rest of my substantive comments, Mr. Speaker, for the Committee stage. I know there are some others on this side that do wish to speak. But at a very high level we are pleased to see that a sex offender register is being created. We are slightly confused [as to] why there are not so many other recommendations made by the Joint Select Committee appearing in this Bill. We would have thought that there might be. And, perhaps, it should have been reconsidered and revised in light of the recommendations of those hard-working individuals who, in the words of the Chairman of the [Committee], spent some 10 meetings over many months to try to achieve this. And I just remind the House of her closing words in the debate, if I may, Mr. Speaker. This is the Honourable Member Renee Ming, the Chairman:

“³So, for anyone who doubts the seriousness of what it is that we are dealing with, then I encourage you to do your own research. You may not want to believe what Renee Ming has to say. But I can tell you

³ [Official Hansard Report](#), 10 August 2018, p. 3149

this here, everything that we have spoken about in this report and the recommendations that can come out of our report are very much topical, and also just timely for the era that we are living in at this time.”

And I simply say it would have been, perhaps, more sensible for the commission's recommendations to precede the Bill and not the other way around.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

No other Honourable Member?

We recognise the Leader of the Opposition. Honourable Member, you have the floor.

Hon. L. Craig Cannonier: Yes, thank you, Mr. Speaker, on such an important topic. I thought that . . . We've had several people getting up to . . . to . . .

[Inaudible interjection]

The Speaker: That is all right. You have got the floor, so feel free to make your comments, do not use your time up speaking about others.

Hon. L. Craig Cannonier: Yes, I guess they must be waiting for me . . .

An Hon. Member: Yes.

Hon. L. Craig Cannonier: Thank you, again, Mr. Speaker.

I am appreciative of the fact that we are at this point and I am hoping that as we move through this next . . . next session, as we close this, and move through the next session and throughout the year that . . . I am hoping that this is not the last of the recommendations or changes that we are going to see.

The Speaker: Mm-hmm.

Hon. L. Craig Cannonier: And the reason I say that is certainly we were looking forward to this day. For some of us . . . [there is] a bit of disappointment in that there are not more substantive, as has already been said, recommendations that came from the Joint Select Committee on this. Because I do know that one of the agendas we had was to ensure that we moved with completeness, but also moved with swiftness, in getting the recommendations from the Joint Select Committee to the table so that the Attorney General's Chambers could weigh in on these recommendations so that we would have, again, as I said, a more substantive Bill in front of us. That, apparently, as we all see, is not the case.

And the reason I am starting out with this here is because many of the conversations that we had in the room . . . we were privileged to great conversa-

tions with interested groups which allowed the police, the Attorney General's Chambers, other interest groups, non-governmental organisations, charities and the likes to also come to speak to some of the concerns that were had concerning an offender list . . . a sex offender, as we state here, management.

And our history has been that we, through process, have not managed this well as a people. And that should be concerning to all of us. There is no direct blame on anyone in particular, no organisation, per se, but the fact that we were privileged in this committee to conversations that, quite frankly, were . . . they showed that the process of information was not moving through the relevant departments and categories and organisations, [which] was quite frightening.

In fact, while we were discussing some of these things it was apparent that we had a situation even going on within our schools, and the teachers and the principals were not aware of it. And that was how stark the reality was that there was a so-called process that we had heard back some time ago, but that the process was either not understood, that the process was not even made aware of to the relevant and most important vulnerable places, like schools and the like.

And we saw massive holes, gaps, whereby when offenders were being released, information was not being transferred back and forth well enough, even when they were publicised in the paper . . . relevant notifications, at some times, were not getting to where they needed to get.

And, again, I say that this should be concerning to all of us and I am hoping that as we move through this Bill that the Attorney General's Chambers will look at the process—which I believe they are—that we start tightening up in on where these grave challenges are, where these opportunities are for the likes of sex offenders who are preying on our young people.

Also, as we went through this here, it was evident that we needed to clean up the Act itself . . . the Bill itself. Right now we know that if you were to potentially go and you have to urinate in the trees or something, people could be put on a list, and we are hoping that we can clean that up. There were many areas that needed to be cleaned up concerning this particular area where people would find themselves on the list. And so I am hoping that we get to the point whereby many of these things are omitted, taken off, so that they are not on there and potentially a threat to someone who innocently may commit an offence that should not be committed.

Now we are hoping that those in the correction facilities and the police will use their common sense here. But the fact that it still exists means that we still do have plenty more work to do, plenty more room to clean up what is existing.

But I then go back, again, as I said, to the issue of process. And one of the challenges that we do have is ensuring that everyone is aware of the vulnerabilities that we do have. One of the recommendations that came out of SCARS was that everyone in the Honourable House should take that training. And, in taking that training, it was quite an eye-opener for many of us to recognise some of the atrocities that have taken place as far as sexual offences against our young people, against young men and young women, kids, the likes.

And we have heard through this that sex offenders will get (while they are incarcerated) either rehabilitation or the likes will take place. And one of the things that we learned through the SCARS training [was] that there was one particular category of sexual offender that there is no cure for, and that is the paedophiles. And I am not sure where we are going to sit with this particular area—this category of individual—knowing that there . . . right now we are not aware of, amongst the health professions, that there is a cure for a paedophile. And so I believe it is incumbent upon us as a Government, it is incumbent upon us as a people, to be vigilant about what that process is to ensure . . . knowing that once a paedophile does his term, whether he takes the courses or not, he may—for sure—not be rehabilitated from the challenge that he or she has.

And it is important that we tighten up just about every loophole that we can find and ensure that the relevant stakeholders, whether they be sports clubs, whether they (as I said already) be schools, whether they be nursery schools, whether they be afterschool programmes—you name it—where you have many young people residing, that we tighten up these areas and ensure that the window of opportunity is lessened as much as possible.

Again, as has already been said, many of the recommendations from the Joint Select Committee have not been assumed or brought into this piece of legislation. And I can recall many of the conversations that we did have. I mean, you have seen it played out in the newspapers and the likes, where many of our members on the committee have very strong feelings about a list and making that list, for that matter, public. This does not in any way reflect what the Joint Select Committee has put forward as far as making the list public, and so I am very much interested to see how we proceed through this here, understanding that the recommendations were made and hoping that at some point in time we will hear from folks speaking to that, as well as to their feelings, because there were many of us who were pretty vociferous about the fact that this list should be made public.

I do understand the arguments, the concerns that are in place. I am looking over at my honourable friend, Mr. Zane De Silva, who, quite frankly, was very vociferous, very loud about his intent and his feelings towards it. I see him smiling at me. That is why I am

bringing it up. If he had not smiled, I might not have brought up his name, but he was very much concerned that we did not have a public register. And that is why the Joint Select Committee moved forward with its recommendations, recognising all stakeholders, having listened very intently to the stakeholders and also having listened to Bermuda as it was responding to this particular concern of a public offender list.

I also noted this in a statement that was made, if I can find it very quickly here, that we have not established a public register because that is . . . of course, we follow much of the UK (I am paraphrasing here) as far as law is concerned. [And this] has weighed in on this matter. But I want to encourage Members to understand that the reason that we are here is to create legislation and so that, if it does not exist, that is why we are here—to make recommendations, even if it does not exist somewhere else. Certainly, we will take recommendations from other jurisdictions; but we here act on behalf of Bermuda and not another jurisdiction.

And so I would encourage Members to ensure that although we have gotten to this point, I personally believe that there is so much more room that we need to go in improving how we monitor this here. This is a very, very, emotive issue. A lot has already been said in the opening message to us about the offender, but not much has really been said about the victim and what the victim actually is going through. And in a small community like Bermuda, as all of us, especially here in this House are aware of, you know, we run into people every single day, on a daily basis, and just about everywhere we go we are running into one another and we have got to find a way to manage the fact that we are going to have living amongst us those who are sexual offenders who have done their time, but also run the risk of reoffending.

And I do not believe that maybe this Bill has gone far enough in ensuring that we look out for those who have committed some of these offences to ensure that our young people are safe, our women are safe, our young men are safe.

I go back to, again, basically saying the process that is being established, that we are being told about, must be adhered to without fault. It has to be held to with the highest of scrutiny to ensure that we protect our most vulnerable. We have, basically, a population that is not growing because we are not having enough of that precious resource of young people being born in Bermuda, and we must do everything that we possibly can to ensure that we protect them from the very beginning right on through to their adulthood, Mr. Speaker.

So I look forward to hearing a little more as we go into Committee and we ask a few questions about how some of these things will be enacted. And I also would like to hear, and I am hoping that we hear, that amendments will be coming forthwith that will take into consideration the hard work that the Honour-

able Zane De Silva put into this thing, that some of those recommendations from the Joint Select Committee are taken on.

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 4.

Honourable Member Furbert, you have the floor.

Mrs. Tinee Furbert: Good afternoon and thank you, Mr. Speaker.

We have a duty as parliamentarians, Mr. Speaker, and that duty is to represent our constituents and the people of Bermuda, to make laws, and to provide oversight. And the PLP has constantly mentioned that we will *create a fairer and better Bermuda for all Bermudians*. And we did not say “perfect” because sometimes there is not perfection because we live in this world and there is human error. But we can focus and drive forward with a fairer and better Bermuda. And this Act does represent that aim of making Bermuda a fairer and better place to live in.

But today I also stand as a representative for my constituents and for people of Bermuda, and represent all those persons who have been a victim of a sexual assault. And as a mother I have to trust every day that I send my children out to be with educators, I send them out to be with friends and family members, and I send them out to be with camp counsellors, sports programmes . . . [to be with] members in sports programmes [and] members in dance programmes—both local and overseas. And I send them out to be with other youth organisations. And, as parents, we have a duty to trust those people who we send our children to be around.

There is a saying: *It takes a village to raise a child*. Well, this village must be safe, Mr. Speaker. And as lawmakers we have a duty to enact laws that reduce risk, whether that risk is low, medium or high. And we also have a duty to better manage the sex offenders in our community. And I believe we have made an attempt to do this with this Act. This Act is about reducing risk—risk to our vulnerable children and adults from sexual offenders.

I was listening to a news report. It was actually . . . I do not know if anyone else heard it, it was a news report on ABC. And in this news report it actually reported that there has been a spike or increase in the Caribbean islands which have been covering up for sexual offences [to] the guests who actually visit them. And so what was being reported in the news is that these resorts are paying off people to cover up for these sexual offences. There was a particular couple who were out on their honeymoon and their butler was accused of a sexual offence.

And so when we speak of sexual assault, we think of protecting people. Children grow up to be adults, so we think of protecting people in general, people who will grow up to be adults. And so what we do not want to continue to do as a country is continue to cover up such sexual offences that harm our community. It leads to people . . . and we spoke about this before when we talked about the recommendations in the Joint Select Committee and how it leads to people who have anxiety, depression, they experience chronic illness, and obesity. All these things impact our community and cost, actually, our community a lot more money.

And so this area is still, still, very important. And while this is not a public registry, Mr. Speaker, and I think that, you know, we have had a registry for a while, I believe (and the Minister can correct me) from 2008, 2009 . . . sorry, 2001, I think, we have had a registry. What this legislation does is improve the registry and the protocols around it. And funny enough there are actually people in our community (with social media being so prevalent) . . . and I was reading an article where it talked about a father who created his own website and they actually listed sexual offenders in our community. Information that has been made public, I guess, through some other source of media. So these sorts of things are occurring in the public domain anyway, whether we have a public registry or not.

What this Act highlighted for me was that so much more needs to happen, Mr. Speaker. And I found actually a . . . the Ministry of Legal Affairs put out a fact sheet regarding the Sex Offenders Management Act. And it was actually published online so if anyone wants access to that fact sheet so that they can get clarity in regards to what this amendment Act is doing, it is available in the public domain. And it does speak to the operational framework, if you will allow me to read from it, Mr. Speaker.

The Speaker: Go ahead.

Mrs. Tinee Furbert: “⁴The Government has revised its Protocol on the Disclosure of Information on Sex Offenders, and” (the Bill) “has been tabled before the legislature.”

“All sex offenders must complete mandatory programmes before they can apply for release on license, probation, supervision, or on their earliest release date from the Department of Corrections.”

And I heard my colleague speak about how some of the . . . and he can correct me if I am wrong, in regard to one of the recommendations not being followed as far as mandating treatment. And I am hoping that the Minister can clear that up later in her comments in regard to the mandated treatment for sex offenders in our prison system.

⁴ <https://www.gov.bm/sex-offender-fact-sheet>

But I do want to speak to mandated treatment programmes. Being a therapist myself and understanding models when it comes to rehabilitation, sometimes you may have heard people say it takes three months to break a habit. Well, we are not talking about a habit here; we are talking about a lifestyle and lifestyle behaviours. And so it takes more than three months to break a lifestyle and behaviours such as those.

And in the prison system, in some cases some of the programmes are not mandatory. But I do appreciate the fact that we are now mandating programmes for sexual offenders because there is . . . in the rehab model there is a willingness to participate. So you have someone who is just willing and they will go out and they will participate in a programme. And then there are people who actually have to be motivated to actually participate in a treatment programme.

Those people who are more willing to participate do get better outcomes because there you have something called “intrinsic motivation” which allows them to be a little bit more successful. But then there are some people who totally refuse treatment and they do not want to participate. So by mandating this, you know, someone who refuses treatment is not going to get as . . . they are not going to get a better outcome if they do not participate. But by mandating it, even for someone who refuses, they still have to be made to do it, and so there are benefits in being made to do something, okay?

And so I am grateful that this Sex Offender Amendment Act does address mandating treatment going forward.

The Sex Offender Fact Sheet also speaks to protocol considerations and it does speak to: “Public Notification is for [the] highest risk offenders.” And I think that we have already seen that demonstrated in our community where our actual community has been notified of these high-risk offenders. And this is a commitment that I am hoping that our Attorney General and our Government will continue to hold tight to in keeping our children safe in our community.

I spoke earlier to our duty as legislators for oversight and so what is important is that the Joint Select Committee, they have met, they have given their report, but they still have a duty to provide oversight and they still have a duty to follow up and monitor this actual legislation to make sure that it is doing what it was aimed to do, and that is to reduce risk and to better manage the sex offender in our community.

But we as a community have something further to do. And that is to make sure that those youth serving organisations that are out there are putting policies into place where we are protecting our children. And so they are participating in prevention training, they have a code of conduct, that they have travel and reporting policies. But we, as a Government, can

go even further. We can mandate this to happen for the protection of our children as well.

There is something out there already; there is a vulnerable persons’ policy that is done through the charity organisations. So charities do have protections when it comes to prevention training and all of that, but there are many organisations or camps or businesses which work with children who are not mandated to provide this sort of training or have this sort of conduct for protecting our children.

We also, as parents, have to continue the conversation with our children as it relates to safe and good and bad touching. Interestingly enough, I was able to get my hands on a SCARS survey result, Mr. Speaker, if you will allow me to just reference something out of this.

And one of the questions in the SCARS survey was, *How old was the person who sexually abused you?* They received 240 responses in this area and what they found was that: 45 per cent of those persons were less than the age of 18 years old; 15 per cent were between the ages of 18 and 25 years old; 22 per cent were between the ages of 26 and 40; 14 per cent were between the ages of 41 and 65; and 4 per cent were between the ages of 66 and 80.

And I bring that to highlight because there is obviously something going on where there is child-on-child sexual offences and abuse. And these child-on-child sexual offences are probably going . . . I am assuming they are definitely going unreported and they are not being criminalised because they are actual children. And so this just goes on to show how we, as parents, have a duty to discuss with our children good and bad touching and what safe touching is. And it is just important that we continue that conversation.

The other area that needs to be addressed continually is the bullying behaviours that occur within our community. And it starts from very young where people are exerting power over others. A sex offender, you know, may say, *I’m gonna do something. I’m gonna do something sexual to you even if you like it or not, or even if you tell me to stop.* So parents must continue the conversation with their children about their bodies and about sex.

Children cannot speak for themselves, Mr. Speaker, and this issue is what this law is about. That is why this law has been enhanced, to protect our children. And that is why this law needs to be enacted.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I recognise the Deputy Leader of the Opposition.

Honourable Member, you have the floor.

Ms. Leah K. Scott: Thank you, Mr. Speaker.

Mr. Speaker, I guess my concern . . . well, I have several concerns about the legislation, but the

main one is that it is not just children who are sexually assaulted. And I keep hearing references to children. But sexual assault occurs in marriages, it occurs on dates, it occurs in bars. You know, you have got the whole “Me Too” movement. So it is not just about the children. And I appreciate the fact that, while paedophilia is one of the components, there are other things that we actually need to take into consideration.

So, I am actually ambivalent about a register for multiple reasons. And part of it is just it is my general nature to be a bleeding heart and believe that people can be recuperated. So I think that there should be a balance between the rights of the children and the adults to not be assaulted, but in some way we have to give consideration to the people who are committing an offence. There are people who commit an offence and they never do another, they never commit another one. And then there are serial offenders.

But we do not have registers for murderers; we do not have registers for shoplifters. And I am not saying that . . . I am not minimising sexual offences, but I think that it is something that we actually have to really, really, carefully consider. You know, we think that by putting somebody on a register, we then ostracise them from society, we prevent them from getting a job. Is that going to help them not to go back to being a sexual offender or not to commit another offence? So it is a very, very, difficult balance that we have to achieve.

You know, you look in the . . . and I know that we cannot have a US-style sexual register here in Bermuda, and I do not know if people will remember when Megan’s Law was incorporated in California. And this was a child whose family lived across the street from a sexual offender and he raped her and murdered her. And so Megan’s Law requires that sex offenders register and that people be notified that there is a sex offender in the neighbourhood. And, you know, I understand that. But I also think that, you know, there is a balance that has to be achieved. And so, how do you do that? I do not know what the answer is to that.

You know, I commend the Government for bringing this legislation forward. I am sure that with every piece of legislation that we bring forward there are always things that we can change, there are always ways that we can do it better, but it is a first start. And I hope that with additional education and knowledge and research that we can actually craft a piece of legislation which achieves the goal on both sides, because in addition to having a register for an offender, there should also be strict probation.

I know in the United States they have to wear an ankle monitor and sometimes they have to take polygraph tests. I also do not think that in terms of the . . . if we had a tiered system, I do not think it is for the Government to determine what the risk is for a sex offender—that is for the people in, I believe, society,

because what you might consider to be . . . what the Government might consider to be an offence, might not be an offence to somebody else.

I am also concerned about the true definition of what a sexual offender is. As my Leader alluded to, if someone urinates in the trees, is that an offence? You know, there has to be, I think, a better definition of a sexual offender. And I think that, you know, hopefully in time we will get to the place where we need to be, particularly with tough pieces of legislation like this.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other . . . we recognise the Minister for Health.

Honourable Member, you have the floor.

Hon. Kim N. Wilson: What?

The Speaker: Minister De Silva, I am sorry. I meant to say Minister of Tourism.

[Inaudible interjections]

The Speaker: Yes.

Hon. Zane J. S. De Silva: All right. Now that we have got that cleared up.

The Speaker: I knew it was a Minister jumping up that time, see. Go ahead, Minister.

[Inaudible interjections and laughter]

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

The Speaker: You are both the same height, see.

Hon. Zane J. S. De Silva: Yes, we are.

[Laughter and crosstalk]

Hon. Zane J. S. De Silva: Now, you see, all I did was agree with you, Mr. Speaker. They are laughing over there, you know.

[Laughter]

Hon. Zane J. S. De Silva: Mr. Speaker, I am always one that is happy to see progress, and I think most people in this House know how I feel about this particular subject. Whilst I, too, like many, have some challenges with all of the recommendations not being included in this Bill, I am very, very happy to support what is here. And I thank the Minister who had a very tough job in bringing this, because there was much discussion inside our room. And as some of the Members who were on the committee know, there were

many, many discussions. Some of them were a little [more] heated than others. But it was a very passionate committee.

Before I forget, Mr. Speaker, I would like to thank everyone on that committee because I think that everyone who was on the committee was quite dedicated and really committed to it and put a lot of effort into digesting all the information that was given to us over a period of a couple of years. I think that at the end of the day we are here and progress is made. Progress is made.

So I am happy that we are heading in the right direction. And as you know, Mr. Speaker, you have been here long enough—

The Speaker: A little while.

Hon. Zane J. S. De Silva: For a while.

Legislation comes to this House for the very first time. We pass it. And in my short time, compared to you, Mr. Speaker, I have seen legislation come. I have seen amendments come thereafter.

The Speaker: Yes.

Hon. Zane J. S. De Silva: I have seen amendments come after the amendments. And so my hope is that this is . . . what do they call it? The thin edge of the wedge. So, you know, I am hoping that over time . . . in fact, I am not hoping. I know that over time we will make amendments and we will make improvements. So I am just . . . it gives me great pleasure knowing that we are in this space.

But whilst we are debating, Mr. Speaker, I think it is important that I do talk about a few of the things and, in particular, some of the things that Minister Wilson mentioned in her brief, in that, I do not know if people really . . . when a Minister is reading their brief, some people pay attention, some people do not. But some things deserve highlighting. I will quote a few, with your permission, Mr. Speaker, from her brief.

The Speaker: Continue on.

Hon. Zane J. S. De Silva: One of things she said was ⁵“The register will serve to provide more comprehensive and current data on sex offenders to facilitate targeted public notification and any other notification deemed necessary by the Minister.”

Now, the words I liked are “more comprehensive and current data on sex offenders.” Because I think the more information that we have on these individuals, the better off the public will be in terms of information received on these particular individuals. And, Mr. Speaker, I also have to highlight the fact that

this team that is going to be formed, the team that is going to help make decisions on these sex offenders when they are released, or before they are released, is going to ensure sufficient oversight to monitor compliance and to be proactive in preventing reoffending.

Now, the Honourable Deputy Leader of the Opposition just spoke. She said that she believes that people can be rehabilitated, and she talked about sex offenders and paedophiles. Now, I think that they are two separate . . . and everyone knows how I feel. They are very separate cases to me. And whilst I think a sex offender can be rehabilitated, I do not know of any paedophile that has been rehabilitated, yet. Not one. And that is why I was so adamant with some of the comments and some of the suggestions that I had when I sat on that committee. Because you know what? It is okay to talk about rehabilitation, and I have no problem with rehabilitation. But paedophiles do not get any sympathy from me. None! Because, Mr. Speaker, I have seen victims. And victims are penalised for the rest of their life!

An Hon. Member: Absolutely.

Hon. Zane J. S. De Silva: I do not care what happens, what sort of treatment that they may receive, they are affected for life.

Ms. Leah K. Scott: Point of clarification, Mr. Speaker.

The Speaker: Point of clarification. Yes.

POINT OF CLARIFICATION

Ms. Leah K. Scott: Thank you.

I was not alluding to paedophiles, and I think I did state that. I guess my comment is that, you know, we should not have a piece of legislation that is crafted simply around paedophiles.

The Speaker: Thank you.
Continue on.

Hon. Zane J. S. De Silva: Oh, no, let me assure my colleague across the way, Ms. Scott, that in no way was I inferring that you did not share that with me. So, I got you on the sex offender. I think you feel the same way about paedophiles as I do.

But my thing is this, Mr. Speaker. I cannot, I do not think any of us can emphasise enough—whether it is in this House, [or] whether it is out in the public with our family and friends—is that paedophiles, in my book, and we talked about, you know, the electronic monitoring of some of these individuals. If I had my way, every paedophile would have one for life . . . if I had my way, Mr. Speaker. Because the children who are affected in this way, and I do not mean to minimise [adult] people who have been sexually offended because they are scarred for life too.

⁵ Senate *Official Hansard Report*, 28 November 2018, p. 51

The Speaker: Mm-hmm.

Hon. Zane J. S. De Silva: But I do believe that our children are most important because, you know, I know people who have been affected by this and continue to be affected, and I do not know anyone who has totally recovered from it yet.

Mr. Speaker, I am happy to see also that the Minister will be giving special disclosure arrangements with schools and day care centres, and any other organisations working directly with children.

[Crosstalk]

The Speaker: Members.

Hon. Zane J. S. De Silva: And I think that is a good thing, because we know where these predators get most of their victims from. And the more we can do that the better. So outside of that public register, I see that these are the kind of steps that I am hoping that will certainly fill the little gap that it may leave with us not having a public register.

But what I would also like to do, Mr. Speaker, while I have the opportunity, is to encourage every one of our organisations, churches, schools, day care centres, anyone who has children involved in any programmes, I would like to encourage them to remember that old saying from SCARS, which is, *The power of three*. Now, some people have issues with that power of three. I do too at times, because I have grandchildren. I have nieces and nephews, who I cherish dearly. We know what we must do, and that is not over-emphasise that power of three goal.

But the fact of the matter is, power of three, I think, is very important. If a child is at a football training practice with a coach, and they have a good relationship with the parents, to me it still does not mean that this coach is allowed to have time with that child alone for any extended period of time. There are little things like that. And we could give you a hundred . . . a litany of examples of people who had the opportunity to spend time with children alone, that we should try our best that it does not happen.

I think my colleague from across the way, the Honourable Deputy Opposition Leader, said something very important, which was, *a balance must be achieved*. We talked about that a lot during committee. I understand that. I think the balance for that . . . I do not know if she was talking about the balance that I am talking about. The balance that must be achieved to me is a balance between . . . when you are talking about the victim, as opposed to the perpetrator, that balance I think needs to be heavily weighted towards the victim, especially our children.

So, Mr. Speaker, I will just end on one note. I hope that this legislation . . . and I know amendments will be coming, because that is the way that I know certain people on this side, and I know there are cer-

tain people on the other side too, who will support it. But I am sure that further changes will be coming. But I would just like to take this opportunity to send a note—a loud, singing, ringing, thumping note—to the paedophiles in this country that this Government and the Opposition are not going to stand for it. It is rampant in this country. And we as legislators are going to put the tools in place to deal with you, if you want to go after and abuse our children.

I want to let the paedophiles know in this country that we will do everything in our power to punish you for punishing our children. Thank you.

The Speaker: Thank you, Minister.

I now recognise the Opposition Whip. Honourable Member, you have the floor.

Ms. Susan E. Jackson: Thank you, Mr. Speaker.

I am only going to take a few minutes. One, I want to declare that I did join, very late in the game, the Joint Select Committee to discuss sex offenders. So I was only was exposed to one meeting, but the one meeting that I did attend, fortunately, was the meeting that included as our guest, the Attorney General. I was also able to get a real feel for the genuine emotional concern of the Members for this particular topic.

So, I guess, really, for me, I am a little surprised that there is not a little more substance to the Bill that is being presented today. I certainly understand completely what the Attorney General said to us and presented in committee, and I understand that rationale. I really commend, almost, the control of the Minister who just took his seat, because he is clearly giving an awful lot of faith in the Attorney General that there will be more substance to this Act moving forward. And hopefully he will see some of his goals achieved over time.

Maybe it is necessary . . . and I am going to put out there, that it would be good to have the many amendments so that we are keeping this conversation alive in this Chamber. And if it were up to me and we had an opportunity to make amendments to this particular Bill on a session basis, then it would be fine with me because every session, maybe, we need to have this conversation.

I guess a part for me, reading through the legislation, was the fact that we are looking so much on how to protect a perpetrator. And I would love to have the conversation more around how we are protecting our victims, and that conversation we have not yet had. Whether it is the victim of rape, or whether it is the victim of a paedophile, we in this very small community are more than likely to run into or be in some way reminded of the crime time and time again. What are we doing, really, to support and give the coping skills to the victims so that they have some quality of life moving forward?

Of course, it is understood [as] we look at laws internationally that many of the amendments or the laws that are being brought to the floor here around the register or whether there are going to be ankle bracelets or notification to people about where perpetrators are going to live, whatever those notifications, are understood. But it does not necessarily give a whole lot of comfort to the victims. So, I guess, my challenge today is to see whether the Government is going to be able to put an awareness and an education piece into their programme, their journey down this road of protecting people from sexual offences, to make sure that we are able to alter and raise our culture to another standard so that victims become fewer and further in between and that the victim is given the support that is required.

I am not going to speak to this for too long, but I do want to just reflect on something that really stuck with me when the Attorney General came to visit the committee. She was speaking about how important it is as parents to make sure that we are educating our young people, and that we as parents are mindful of the behaviours and the activities that are going on within our homes; that we are mindful of where we are sending our children and how our children are able to communicate back to us what has happened. And I get it. I am a parent. I know what it is like to have a child when you ask them, *How was Sunday School?*

[And they say,] *It was fine.*

Versus how to have a conversation with a child where they will give you verbatim, every single thing that happened. *Well, first we sat in a circle, and then we had our prayers, and then we coloured.* And to get our relationships to a point with our children so that there is a level of comfort and transparency, that our children can have conversations, and if something does not feel right, they know that they have the confidence and the ear of their parents or their caregivers to share their discomfort. And that the parent will then believe that child and at least make the movements toward asking the questions or doing the research or making the observation to further protect and to support what a child may feel or verbalise as being an uncomfortable situation.

So, again, [I will] not be long, I just hope that this is the first of many amendments to this Bill and that we continue to work to strengthen and protect the laws around sex offences in Bermuda. Thank you.

The Speaker: Thank you, Honourable Member.

Does any other Honourable Member wish to speak?

I recognise the Honourable Member from constituency 11. Honourable Member, you have the floor.

Mr. Christopher Famous: Good afternoon, Mr. Speaker.

The Speaker: Good afternoon.

Mr. Christopher Famous: Good afternoon.

Mr. Speaker, firstly, I want to thank the Attorney General and her staff for the work they have done and the work that they will be doing on this.

Mr. Speaker, this is one of the topics that both sides of the House are united on. I sat on the Joint Select Committee headed by MP Renee Ming, who cannot be here because of a family funeral, and I can tell you that, besides one or two times, there were unanimous decisions made.

Mr. Speaker, I do not like to talk in theory. I like to talk in reality. This morning I brought my granddaughter up here so she can see where laws are made, so she can see where we put things in place to protect Bermudians, where we put things in place to protect Bermudian children. You see, Mr. Speaker, a couple months ago when we talked about the report, I mentioned then that there was a gentleman in my community who had admitted to being a child molester, some 40-something years ago. Subsequent to that, he went to jail for that act.

Mr. Speaker, you know I pride myself on canvassing. So last week I could not canvass but I asked somebody to go check on people in the neighbourhood, and they came back and gave me a list of people who have concerns. And it had this a person's name on the list saying that this gentleman was concerned about certain things.

And I'm saying, *Well, it can't be him because that guy is locked up.*

And then the person who I asked to do the calls went on to say, *Yes, he mentioned he just came out of prison.*

I am saying to myself . . . I am not going to use unparliamentary terms, but you can imagine what I am saying to myself. *How is this guy out of jail? How? He just went to jail for child molestation. How is he out? But that is, obviously, not in our remit. So my second question was, How is he out of jail in a neighbourhood where my granddaughter lives, a neighbourhood where there are plenty of children, a neighbourhood where he lives which is a two-minute walk from a school, and we do not know?*

So I say that, Mr. Speaker, because it hurt me to know that I have a child molester in my community. It hurt me further to know this guy is out of jail already. Then it hurt me even further to know, I, as the person who represents that community, did not know that this gentleman was back on the streets.

And there is no reforming a child molester. It could have been 40 years ago, 50 years ago—he has those tendencies. So I say to the staff at the Attorney General's Chamber, as most people have said speaking on this, amendments must be made. There is not going to be a partisanship about what needs to be done because, as I said, we are united in this. Unfor-

tunately, this is one of the few things we are united about, although it is a first step.

Why do I say it is a first step, Mr. Speaker? Because a few weeks ago we saw the people from SCARS compliment the Government in the Attorney General's Chamber for now mandating that sex offenders have to get treatment while in jail. Because on that same committee that we sat on, we heard that sex offenders did not have to take treatment. They can do it the first month they are there, be there for 10 years, and never do it again. But now it is mandated. Or, as they said, *Monitored*. So I say if this legislation were in place last year, this gentleman may have got some mandated treatment [because of his] sexual [offences]. But I do not think he got it. I want to err on the side of caution, but I am saying something is telling me that he did not get it.

So I say this legislation that we are bringing, one of the most important pieces is mandating that sex offenders get treatment while they are incarcerated.

So I say in closing to both sides of the House, we have a lot of work to do. Even though it is not in the legislation, I implore my fellow MPs and Senators to go and get SCARS training. It may be the most difficult three hours of your life, but it is the most necessary SCARS training. We can balance the budget. We can grow the economy. St. George's might win the Cup.

[Inaudible interjections]

The Speaker: That's a long stretch. You had me until you got to that point. That was a long stretch.

[Inaudible interjections]

The Speaker: That was a long stretch.

Mr. Christopher Famous: But if we do not, and I repeat, for the whole of Bermuda, if we do not learn to mitigate child sex offenders, or any form of sex offender, and treatment for their victims, we have failed as a Government, we have failed as an Opposition, and we have failed as a people.

So I say again, with the greatest of respect to the Attorney General's Chamber, we have amendments to make because there is no way I am not supposed to know that this man is back out on the streets. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

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, I thoroughly concur with the sentiment that has been expressed by the Honourable Member who just took his seat. Because, clearly, there are things that are left wanting in the legislation as it has been crafted.

A significant number of today's contributions have actually focused on paedophiles and the impact that paedophiles have on our community. I think it is important to understand, and we cannot state it clearly and strongly enough, that molested children grow up to be broken adults—broken, suicidal, pained human beings. And very often the manifestation of that pain results in that child [growing up] to impose the same degrees of hurt that they experienced on somebody else. I am not saying that this happens all the time and in 100 per cent of the cases, but predominantly many offenders who offend children will, once you track what has happened with them, be able to say that they themselves had been molested as children.

So I am not . . . I think enough has been said. This is something that is so distressing for us to have to recognise as a community. I do not like to hear that we are not perfect, or as a Government we are not perfect, but we are trying. And even looking at the thin edge of the wedge, it would seem to me that the focal point needs to be at the broader segment of the wedge, to be able to embrace and to be able to envelop in the legislation the harshest things that we know that we have experienced.

I do not wish the experience on anybody to have to go through this type of situation, either personally or for their children or members of their family. But sometimes when personal experiences give rise to the horrors that are perpetrated by sex offenders, I think it is then and only then that we can really effect the seriousness in the legislation that we have. I think at times we have a bleeding-heart attitude and approach. And we believe that there can be certain rehabilitation. I think we have already heard that statistics and clinical studies will show that paedophiles cannot be rehabilitated. I think that is a given that we have to understand; it is not going to help.

But I am concerned that historically within the prison system the requirement for the resources for training and for courses has not been as well done as they ought to. So my concern would be, while we are mandating courses for sex offenders, let us also at the same time when we do the budget allocations, make sure that the prisons are sufficiently staffed with the professionals to be able to conduct that mandatory training.

Also, Mr. Speaker, I wish to point out that within the legislation there are some things, and we will get into further detail, in terms of travel, and that this new ORMT [Offender Risk Management Team] will be . . . well, if a molester has to travel, then they must first advise ORMT that they are planning on traveling. The question is, and there is nothing to state it, but what steps will the ORMT take so that some-

body who is one of these molesters, who is under the auspices and the jurisdiction and the control of the ORMT . . . what steps will the ORMT take to ensure that the jurisdiction to which that person is traveling is made aware?

We do not always know in our circumstances, when people come to our shores, who may have committed some of the most heinous of crimes. But if we are saying that this person has to advise the ORMT that they are traveling, then what do you do with the information? There is nothing that says, What happens next? You know, I am an offender. I tell the ORMT that I am traveling. I hop on the plane and I go to wherever I am going and I ensconce myself in the midst of somebody else's community and society and effect some of the heinous crimes that I have already been convicted of in my jurisdiction.

The Speaker: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: Where are the protections?

Now, I know that everybody who gets off the plane here . . . we do not know from whence they have come. We do not know what their history is. We do not know and there is no way of necessarily knowing. But if we are saying that we are going to have a schedule, have a register of people and that they have to tell us that they are going to go, then, clearly, there has to be a next step. Or, are we just collecting information?

I think that one of the good things in the legislation is that the commissioner is required—he *shall* ensure that notification of the impending release of a sex offender is made to the appropriate authorities. And I think that is very positive. Because you will know that it was not so long ago that this requirement for the Commissioner of Prisons to make the public aware, or make the Minister aware that there was an impending release, that step was missed and we ended up with somebody in the community who had significant charges and was a dangerous individual who now again is floating about.

So, hence, I understand what the Honourable Member who just took his seat is indicating about his fear and concern for his daughter, or for his granddaughter, or for his community—for *our* community! And if we have no way of knowing that an offender is on the loose, has been returned to society having spent his time, then how do we take extra precautions to protect our children? How do we do that? It is okay to say, *Have the great conversations with your children. Let them know the difference between good touch and bad touch.* And, yes, that is necessary. I think every good parent does that. But there are times when, notwithstanding the conversations you might have, you also have a situation in which these children can still be victimised in a most unsuspecting

way. And if we do not have any way of at least minimising those dangers, I still think we are failing.

I think the legislation did not really capture the essence of the depth of concern that was expressed. And the Honourable Member indicated that for the most part the decisions which were made were unanimous decisions. So, I have to question whether this committee was just performing some kind of perfunctory exercise, or whether there was a real expectation that the deliberations and the output was going to engender a sympathy for reflective legislation? Because I think that the members of that committee . . . they had people coming in, they interviewed all manner of people in the community, along every spectrum of the sex offender continuum. And I think that their conclusions should perhaps have been reflected even more stringently and more deeply in the legislation that we are looking at today.

I have heard Honourable Members say, *Well, this is just the beginning.* And I understand that this is just the beginning, because I think that we are unanimous in hoping that there are more stringent . . . that there are more restrictions and more legislation that surrounds how we encompass the entire challenge of sex offenders in our community. I think that it is unfortunate that we do not have the ability to have a public register. That would be my preference. But when we start looking at, How do we list? What is deemed to be a high offender? Is that determined by the severity, the gravity of the offence that they did? Or, is it determined by the frequency?

You might have one person who has offended once, but it was so heinous and so grave that you think that this person needs to be known. And I think this legislation provides for that kind of individual, once having served their time and being released back into the community, that at least we will know.

But the frequency of lesser egregious offences . . . well, I should not even say "lesser egregious" because that is really not the word. But less physical offences . . . so you have not raped or murdered somebody, but you have still molested somebody—but you may have done it 20 times over. And how do we capture that [fact] when that person is being released into the community? Do we as a community have the right to know what is happening with the guy next door?

And while it is a real easy way out, in my estimation, to say that the UK does not do this, and we cannot adopt a system that they do in the United States in terms of notifying people, we are Bermuda and we are autonomous in our jurisdiction, in terms of the legislation that is appropriate for us. So while it may not be done in the UK, and while the system that exists in the United States may be able to be funded in a different way, why is it that we have to take the line of least resistance to say that they do not do it in the UK, therefore, we cannot do it here? I do not think

that this is a good enough excuse, when somebody is being victimised by a sex offender.

And there is something in the legislation that effectively says that the . . . let me just see the point that I wanted to say . . . that a sex offender may make an application for reduction in the time that they are on the register, and there was nothing there that said what has to come [attached] with that application. I think that it should be enshrined in the legislation, in my estimation, that along with that application should be something like a report from the psychologist, from the psychiatrist, from the professional that says that the terms and conditions have been met, as opposed to the individual and the way it is worded in the legislation having the opportunity to assert that he does not present a further risk of reoffending.

And it does say even on the balance of probabilities. But I think I would like to see some kind of specification and some certification that this application should be accompanied by a professional report. And it does not include it in the legislation. It might be in the code of conduct or the like, but I would like to at least have comfort to know that this is going to be looked at and that this is going to be considered.

I think that any of us who have done the SCARS training will have seen that the impact of sexual offence does not necessarily always apply to young people, there are adults, and there are many people in our community. My honourable colleague from constituency [12], the Honourable Opposition Leader indicated that there are . . . this is really stressful for me. Let me . . . I am going to pass by that comment.

The Speaker: Continue on, Member.

Hon. Patricia J. Gordon-Pamplin: I will, Mr. Speaker.

I will just move to a different point, because what I was going to say is just a little bit too painful.

Let me just say that one of the requirements is that there is an inability from the legislation to disclose information that is contained in the sex offender register. But I think it is important that, with a community, a society our size, information can be made available just because of the closeness of our society, the close-knit of our society. [This information] does not necessarily emanate from the register itself, but because facts are facts, what is then made public could replicate exactly what is on the register. So the question begs, How do we know that when information is disseminated whether it actually came from the register or whether it was independently obtained and disseminated?

There are a couple of other things that appear in the legislation that obviously we can speak to when we get into Committee, but when we have a light-weight approach toward the perpetrator in protecting their rights, I think we are abdicating our responsibility

of protection of the victims to ensure that they are able to continue to live a fulsome and decent life, notwithstanding the trauma of the offence that they have been subjected to. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I now recognise the Minister of Education. Minister, you have the floor.

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

I actually did not have the intention to speak to this Bill, but I do want to go on record as stating that I am very excited that we have brought this Bill. It is something that has been talked about quite a bit. And as you can tell from the debate that we have had, there are some concrete opinions on what we are doing, Mr. Speaker.

The one thing that I have not heard, and the one thing that in my remit as the Minister of Education, we have come into this . . . we have been thrust, I should say, into what we are talking about today because some of these persons, or offenders, that we are speaking of, happen to be parents. They happen to be parents of children who attend our schools. And it is something that we have been carefully wading through and developing a policy. And we have been waiting for this to come along as well so we can have a more formal policy on how we treat these offenders when they are parents.

Because if they are saying that if you have committed a crime, you have done your sentence, you must then live that sentence over and over and over, every single day of your life after you have done whatever it is that the courts have ordered you to do, I find something incredibly dishonest with that. Because if we are to be a caring community, a community that trusts rehabilitation, or wants to rehabilitate, or reintegrate criminals back into our society, we cannot have a bunch of criminals that . . . or a bunch of convicted persons who we say, *We are going to throw them away, but we want to work with these ones over here.* We need to work with everyone as much as we can.

I think that we have to be a bit more sensitive in this area. Obviously, it is a very sensitive area. It is an area which evokes a lot of emotion. But it is an area, no less, which we have to figure out a way to address. We have to figure out a way to address it in a way that it is honest, and it takes into account everyone's feelings on this matter. Not just the convicted person, but the victim as well. I do understand that we have to look out for the victim, probably some people would think way more than we have to look out for the perpetrator.

But what prompted me to stand up was that the previous speaker spoke about how Bermuda is autonomous, and we should not take the least line of resistance. I believe those were the words that were spoken, the least line of resistance.

An Hon. Member: The line of least resistance.

Hon. Diallo V. S. Rabain: The line of least resistance, when looking at this matter. But also, Mr. Speaker, what I have not heard is anyone talk of any studies that have gone on that compare public register versus non-public register, whether one is a better fit or one is not a better fit.

Now, I am not here to make judgment over that because I have read studies on this and most of the studies are starting to point toward that public registers tend to have . . . do not tend to cut down on reoffending. Whereas, non-public ones are showing that reoffending does not seem to occur as much. Now, there are not as many studies as I would like, from my research on that topic. But those are where the studies are going.

So when we talk about this, we also have to kind of divorce ourselves from the emotional. Because when we talk about paedophilia, when we talk about someone injuring a child in that way, it is going to evoke emotions that are going to make you feel so disgusted at the person who would want to do that.

The Speaker: Mm-hmm.

Hon. Diallo V. S. Rabain: Now, Mr. Speaker, we have also heard about SCARS training. I am SCARS trained. I believe several Members within the House are SCARS trained. But I know of a SCARS trained individual who has been convicted of sexual offences against a minor. So that is not the ultimate protection.

We as a community have to come together and protect our children. We as a community have to educate, let our children know what to look out for. We as a community have to be able to want to report things that we see. When we talk about being completely honest and open, so many times some of these things continue on and continue on because they are just not reported. People know they are happening and they are not reported. So if we want to talk about protecting our children and protecting adults as well, because this also affects adults, we also have to have to have that conversation, as well, Mr. Speaker, and not just concentrate on the people who manage to get caught. Talk about the people who allow people to not get caught and continue to do what it is that they are doing.

So when we are having this holistic conversation, Mr. Speaker, I support what we are doing here. I understand what we are doing and how we are doing it. And I think this is a great opportunity for us to do what should have been done years ago, Mr. Speaker. I hear everyone talking about *there has to be amendments coming, there has to be amendments*, I am quite happy where the Bill sits as it is right now, perfectly happy. I will be the first one to stand up and say I do not support a public register of sex offenders be-

cause of the research that I have read which said that it does not make a difference.

What I do support is mandatory treatment for offenders while they are in jail, while they are in prison, and if they do not want to do that mandatory treatment, then we can start having talks about whether their name has been shamed when they are released, and all of that type of stuff, Mr. Speaker. But if a person has committed to rehabilitating themselves, we as a society owe it to help them to rehabilitate themselves and become a better person as they reintegrate into society. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

I now recognise the Honourable Member Richards. Honourable Member, you have the floor.

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

Mr. Speaker, as the speakers before have said, this is a very serious Bill that we are dealing with. I sat on the committee for a time. I had to come off because I was appointed as a Minister. And we did have very robust discussions about the prevalence of this type of conduct in Bermuda, and what could be done to safeguard, not just our young people, but also adults, because there are situations where adults are acted upon.

I am not going to spend a whole lot of time talking about that, but [there is] one thing that I do want to bring up, and maybe when we go into Committee we can look at this a little further. The current Criminal Code defines a sex offender as a person convicted of a number of offences. And some of them include . . . and I am not going to read the whole list because it is a pretty extensive list, but carnal knowledge of a girl under 14; sexual exploitation of a young person; incest by a male person; incest by a woman.

But there is one act that is giving me some concern and it is indecent acts in public or with intent. *Indecent acts*. Mr. Speaker, my concern is, you know, we live in Bermuda. There are young people during the summer time, they might be on the beach; they have a few drinks; they decide to go skinny-dipping. I am not saying that anyone here in the Honourable House has done that.

The Speaker: I thought you were speaking from experience.

[Laughter]

Mr. Sylvan D. Richards, Jr.: I am not saying that anyone in this Honourable House has done that, Mr. Speaker, but it does—

The Speaker: I'm glad you clarified.

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

So my concern with the Bill that is currently drafted is the potential stigmatisation of someone convicted of indecent exposure while skinny-dipping on the beach at night.

Or, there are instances where someone might be driving and there is no bathroom readily available. They might pull over to the side of the road and relieve themselves in the bushes. This happens. My concern is that if someone is caught doing that . . . there is no mal-intent. They are not doing it in a place where there were children or anyone else around. But if they are seen by a police officer, it appears to me that there is the potential that they could be convicted of committing an indecent act in public.

There are many other similar offences that are technically sexual offences, and my concern is that these . . . I think this Bill, and when we go into Committee we can discuss this, but this is my overarching concern. I know when I sat on the Joint Select Committee we had discussions around this. That the intent is not to criminalise or stigmatise people who are doing things that technically are indecent acts in public, even though there is no mal-intent. There is no intent to harm or injure anyone else.

So that is my concern, Mr. Speaker, so I just wanted to bring that up. Other than that, you know, I have friends, I have family who have been victims of sexual abuse. I have seen first-hand the damage that it inflicts upon individuals, male and female. I think we are all not shocked or surprised by the prevalence of this in our community. I believe that a lot of the antisocial behaviour that we see with our young people and with our adults, I think that some of it can be traced back to crimes that were committed upon them when they were vulnerable children and they have not gotten the counselling, or maybe they feel they do not need the counselling, so they end up self-medicating, and it is a vicious cycle, Mr. Speaker.

So, I support the legislation, but I think that more work needs to be done so that it does not catch individuals when they are not doing anything that is going to harm anyone else. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Does any other Member wish to speak?

No other Member? Minister.

Hon. Kim N. Wilson: Thank you, Mr. Speaker.

Mr. Speaker, I think we can say that today's deliberations have . . . we have certainly earned our keep.

Oftentimes we pass legislation here that may be a finance Bill or, you know, related to some works or something, but it is not something that elicits such high-emotive sensitivities as the legislation to which we are speaking about now. And I would like to thank Honourable Members for all of their contributions that have been heard throughout this afternoon concerning

this Bill. It is a very, very emotive topic, as we have all heard, a highly sensitive and emotive topic and it elicits fear, contempt, anguish . . . a wide range of emotions. And so, again, I would like to thank Honourable Members for their support, by and large, of this Bill, as well as their submissions.

Mr. Speaker, we have been grappling with these issues for quite some time. I mean, some people might say that the legislation does not go far enough. Some people may say it goes too far. These are issues that have been discussed and talked about for quite some time. As the Honourable Member who just took his seat before me, I, too, served on that 2015 Joint Select Committee that was looking at issues as it relates to safeguarding our children. The report was not completed prior to the dissolution of Parliament; however, many of the issues that you see that were presented in this Joint Select Committee's report now, are the same issues that the Honourable Member who just sat, and myself [heard], and it was chaired by the then Honourable and Learned Member, Mr. Mark Pettingill.

We were grappling with these very same issues. And if I move backwards in time, Mr. Speaker, in 2008, when I sat in the same chair as the Honourable and Learned Attorney General sits in now, these are the same issues we were grappling with then—whether or not we should have public registries, whether or not we should commence a draft protocol, whether or not we should have mandatory treatment whilst persons are incarcerated. And my Permanent Secretary at the time was the Honourable Attorney General now. So these are issues that she has grappled with either when I was the Attorney General and she was the Permanent Secretary, or now in her current role as the Learned and Honourable Attorney General. So, these are issues that have been discussed heavily in very public [forums] as well as private [forums].

And I think that, if I can make just a quick point, Mr. Speaker, real quick, with respect to the SCARS training, and I know most of us have also attended SCARS training, and they do a remarkable service to the community. And we have heard other Members today speak about the important role that we as parents play to help train up our children and teach them about what is appropriate behaviour and touches and the like. So all of that combined goes straight to the point to what we are trying to address today.

Maybe we are not going far enough in some quarters. But at the end of the day we are much further away, when we pass this Bill today, then we would have been previously. We are going to be looking at legislation that is going to make it mandatory for persons to undergo treatment whilst they are incarcerated. No questions asked. They *must* undergo that treatment or face the penalty of not having early re-

lease and/or parole. So we are having mandatory treatment.

We are also going to see situations here, Mr. Speaker, where the services that are encapsulating around these persons, the perpetrators of these horrific crimes, are going to have to continue. So therefore, if it is in circumstances as such where their risk of reoffending is high, then the treatment and the services that are wrapped around that individual [to] ensure that their chances of reoffending are negated will continue.

Everything is based on risk. We spoke for the last eight months about risks for money laundering. This too has an element of risk. If the person who has been charged and convicted of an offence is released and they feel that the risk is still high, then there are programmes that the person will be required to take to ensure that they do not reoffend. Likewise, if the circumstances where it seems that there is a likelihood that they will never reoffend, then their risk rating will obviously be reduced and programmes accordingly will be reduced. But my point being is that the services that will be applied to these individuals are individual in nature. It is based entirely on the nature of the offences and the risk this person poses to the public. I think that is a really, really important element and a distinction that we need to concern ourselves with.

Mr. Speaker, there were a number of other issues that were raised concerning the policies and the Joint Select Committee's recommendations. Granted, there were 14 recommendations that came from the Joint Select Committee. However, notwithstanding the enormous amount of work that this committee did produce, we also have to recognise that this was in its advanced policy development, this piece of legislation, prior to the Joint Select Committee ever actually submitting their report.

So, we have to look at it in perspective. This report was submitted, but the policy development by the Honourable and Learned Attorney General and her Chambers started way before the actual Joint Select Committee submitted their report.

It is also important, I think, to note that, again, all convicted persons . . . so there has been some talk about, How will we decide who has to take programmes and who doesn't? If you are convicted of a sexual offence, you will be required to take mandatory treatment programmes.

Mr. Speaker, there was also a question concerning the issue with respect to the definition of "sex offender," but actually, again, my honourable colleague who just took his seat actually spelled it out, because it is raised in the Criminal Code, section 329D(1) of the Criminal Code, actually.

There was another question, Mr. Speaker, which related to the fines. If I can refer that Honourable and Learned Member to the Interpretation Act, section 40, which provides the definition of the fine for not exceeding the amount specified. So that can be

located in the Interpretation Act. I appreciate that this might come up in the clause-by-clause, so thank you for allowing me to provide that information right now so that this information can be . . . that the answer could be provided to the Honourable Member.

Mr. Speaker, if I can just end where I began. Again, this is a topic that is highly sensitive and highly emotive. Again, I thank colleagues for their contribution to this Bill.

I commend the Honourable and Learned Attorney General for bringing this Bill. It takes us one step further insofar as ensuring that (a) the public is best protected, which is, of course, of paramount consideration; and (b) persons who are convicted of such offences are required, they must, they are mandated to take requisite treatment courses. So we are looking at both sides of it. We are doing our best to try to protect the public and we are also doing our best to try and minimise the impact or the effect insofar as a convicted person perhaps reoffending.

So in that regard I think we are striking a right balance and I, again, commend the Honourable Attorney General for bringing this legislation. I think that we are protecting the public whilst at the same time ensuring that mandated required intervention is provided for those persons who are the perpetrators of these offences.

And with that, Mr. Speaker, I would like to move that this Bill be committed.

The Speaker: Thank you, Minister.
Deputy.

House in Committee at 3:59 pm

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

COMMITTEE ON BILL

CRIMINAL CODE (SEX OFFENDER MANAGEMENT) AMENDMENT ACT 2018

The Chairman: Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled the [Criminal Code \(Sex Offender Management\) Amendment Act 2018](#).

Minister, you have the floor.

Hon. Kim N. Wilson: Thank you, Mr. Chairman.

With your leave, I would like to move all eight clauses.

The Chairman: Continue.

Hon. Kim N. Wilson: Thank you.

Mr. Chairman, clause 1 is the citation.

Clause 2 inserts a new section 70QA into the principal Act. [Section] 70QA(1) provides that, notwithstanding sections 70N, 70O, 70P and 70Q, a sex

offender shall not be entitled to apply for release on licence or be released on his earliest release date, until completion of any mandated programmes contained in his case plan, as defined in subsection (2).

In consequence, clause 2(2) amends rule 32 of the Prison Rules 1980 by inserting new paragraph (c.1A) which provides that failure by a sex offender to complete programmes mandated pursuant to the new section 70QA is a disciplinary offence. This follows paragraph ([c.]1) which contains the disciplinary offence of refusing to participate in a specified training, educational or rehabilitation programme when required to do so by the Commissioner. Penalties for disciplinary offences under the Prison Rules include forfeiture of remission.

Clause 3 amends section 329C of the principal Act to increase the penalty from \$5,000 to \$10,000 for the offence of publishing or broadcasting information as to the identity of the complainant or, before conviction, the accused in a trial relating to a sexual offence.

Clause 4 amends section 329E of the principal Act. The new subsection (4A) provides that the specified period of supervision for a sex offender who is sentenced to at least three years in prison, and if the court considers that there is a substantial risk of reoffending, shall be for a period of at least 10 years (it remains a period not exceeding 10 years for other offences subject to supervision).

Clause 5, Mr. Chairman, amends section 329F of the principal Act, by inserting subsection (1A). Mr. Chairman, subsection (1A) provides that a sex offender who is required to be supervised by an order pursuant to section 329E(4)(d) shall be supervised by a probation officer, and that the level of supervision shall be determined by the probation officer, according to the gravity of the offence committed and in accordance with the policies and procedures outlined in the offender's case plan (as defined in section 70QA(2), inserted by clause 2), and guided by the risk posed by the offender as well as the need for the protection of the community.

Mr. Chairman, clause 6 inserts new sections 329FA and 329FB into the principal Act. Section 329FA(1) establishes the sex offender register to be administered by the Minister. Subsection (2) requires the court sentencing a person to a period of imprisonment following conviction of a sexual offence to order the Commissioner of Police to enter the person's name in the register. Subsection (3) requires the court to inform the offender accordingly. Subsections (4) and (5) provide that the period of registration shall be a period of 10 years or more as determined by the Offender Risk Management Team [ORMT] in accordance with guidance issued by the Minister in a code of practice. Subsection (6) sets out the obligations of being on the register: to report to the team; to be assessed by the team; to notify the team regarding change of address, to notify the team before any

change of employment or occupation; to notify the team regarding travel plans and not to leave Bermuda without written permission of the team; to comply with other conditions that may be imposed by the team for the purposes of facilitating the successful reintegration of the person into the community. Subsection (7) creates an offence (similar to the offence in section 329G(6)), Mr. Chairman, for failure to comply with any obligations imposed by or under subsection (6). Subsections (8) to (10), Mr. Chairman, provide for an offender to apply to the court to reduce or terminate the period of registration on the ground that he does not present a risk of reoffending. Subsection (11) sets out definitions, including the offender's risk management team, and subsection (12) sets out the functions of the team. Section 329FB creates an offence of disclosing information in the sex offender register, subject to a penalty on summary conviction of \$10,000. Subsection (3) provides that the Public Access to Information Act 2010 does not apply in relation to the register.

Clause 7, Mr. Chairman, amends section 329H of the principal Act, changing the word "may" to "shall" in subsections (1) and (2), thus imposing a duty on the Minister to establish a sex offender protocol. New subsection (3A) requires the Commissioner of Prisons to inform the Minister at least two months before the pending release date of a sex offender and indicate whether the offender has completed the programmes which are mandated, as I mentioned previously, Mr. Chairman, pursuant to section 70QA.

Clause 8[(1)] provides, for the avoidance of doubt, that the amendments made by clauses 2, 4 and 6 of this Bill apply to persons convicted of a sexual offence committed on or after the commencement day. Clause 8(2) clarifies that the new registration regime in section 329FA of the principal Act will replace section 329G's notification requirements in relation to a sex offender sentenced to a term of imprisonment following conviction for a sexual offence committed on or after the commencement day.

And, Mr. Chairman, finally clause 9 provides for the commencement by notice.

The Chairman: Thank you, Minister.

Any further speakers? The Chair recognises the Honourable Member, Mr. Scott Pearman.

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

Mr. Chairman, I would be grateful if we just take it through numerically, [clause] 2 in the Bill, clause 2 . . . I just want to try and see if the Minister can assist us, because there was some confusion in the debate about whether or not there will be mandatory courses taken while someone is in prison, and what will happen if someone refuses to do that, and there was some confusion. Indeed, the Honourable Member behind me, I think, seemed to think this Bill was making it mandatory for all.

As I read clause 2, and I will be corrected by the Minister, what I think this Bill is doing is it is providing a sanction to those who refuse in that they are not allowed to apply for release on licence, which is temporary release, or at (b), they are not allowed to be released on the earliest release date. What this Bill is not doing, as I understand it (again, and I look for correction, Mr. Chairman), is saying that if someone refuses mandatory treatment, that this person will be detained longer in prison.

Someone could go to prison, could refuse (as I understand it) and nothing would happen, but they come to the end of the term served and that is that. Have I understood the position correctly?

The Chairman: Minister?

Hon. Kim N. Wilson: Thank you, Mr. Chairman.

Yes, my honourable and learned friend is correct. If the individual refuses to take the mandatory treatment programmes, then they will lose their remittance time.

Mr. Scott Pearman: Thank you.

And, Mr. Chairman, a number of speakers also said that this is a first step and they would like to see some amendments. And it may well be that this is a very sensible and reasonable amendment to consider going forward—whether if someone refuses mandatory treatment, it really is not then *mandatory*—whether a sanction should be applied to someone who refuses perhaps by extending the term of incarceration.

My next point, Mr. Chairman, is moving down to [clause] 5, and I am just wondering here . . . this is one of the other big three points from the recommendations of the committee. And given that some of the speakers have pointed out the difference in what people think about as a sex offender . . . someone who stops to relieve himself or herself from a car by a bush was an example given. There were other examples given.

Given the recommendation by the Joint Select Committee to have tiering of sex offenders, I believe the Joint Select Committee recommended three tiers. Why not take that up? It does seem like a very sensible way, either in the context of this Bill or in the context in the definition of sex offenders in the 1907 Criminal Code Act where we do tier it, because there is a big difference between two youths, one is over the age of majority engaging in sex which would be contrary to the law, but are they really sex offenders?

Is someone who relieves himself or herself by the side of the road really a sex offender? So, there are examples there where it would probably benefit, given we are all focusing on this particular aspect, whether the Minister might consider introducing the tiering.

The Chairman: Minister? Minister?

Hon. Kim N. Wilson: Yes, thank you, Mr. Chairman.

I do not want to speak for the Honourable and Learned Attorney General. However, I do note that she has taken considerable time and weighting of the recommendations of the Joint Select Committee. You would have heard from one of the Members that she actually appeared in front of the Joint Select Committee. So, any other suggestions or recommendations, I am sure she will take under advisement.

The Chairman: Okay, any further . . . the Chair recognises the Honourable Member Pat Gordon-Pamplin.

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

Mr. Chairman, I also am just going to do this in bite-size pieces, so I am going to go back to clause 2 with the refusal of an inmate to take the mandatory courses. He will at some point in time reach the end of his sentence. Once he comes back out into the community, he is not rehabilitated, because he has refused. We cannot detain him any longer because his sentence has expired. Is that likely . . . is that something that could give cause to his name being placed on the register because he is now coming out as an unrehabilitated offender?

The Chairman: Minister, you want to respond to that?

[Crosstalk]

The Chairman: Go ahead, Mrs. Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: Oh. Sorry, I just had one other question, and this is under clause 5, subsection (1A)(a), where we were talking about supervision by a probation officer. And I am just concerned about the requirement of the resources. If you have got three or four offenders coming out and now you have got to have three or four probation officers being able to supervise these individuals to ensure that they are not a [danger] unto themselves or to the community, is that a realistic provision given the resources that it is likely to require?

The Chairman: Minister?

Hon. Kim N. Wilson: Thank you, Mr. Chairman.

Mr. Chairman, with respect to the first question concerning the register, everyone that is convicted of a sexual offence will be placed on the register. So, the individual case that you spoke about will automatically go on the register anyway, notwithstanding whether or not they participated in the mandatory treatment.

And, also, Mr. Chairman, with respect to the second question that was asked by the Honourable Member, there are adequate probation officers. And the team will have the requisite support that they require to ensure that they are able to carry out their functions properly under this legislation.

The Chairman: Mrs. Gordon-Pamplin?

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

Mr. Chairman, I guess my question was, not so much that everybody was going to go on the register. That, I understand. But if somebody is refusing, they have come back as an unrehabilitated individual, should their name be part of the public register, the public disclosure? So, people need to know. I mean, if you have got serious offenders, and they can be publicly revealed, then you have got somebody who has refused . . . so we do not know how dangerous that person still is because there is no evaluation if he has refused the mandatory treatments. So, should they not be considered for public disclosure at the same level as some of those who will be publicly disclosed?

The Chairman: Minister?

Hon. Kim N. Wilson: Thank you, Mr. Chairman.

Mr. Chairman, as I spoke about in the brief, there will be circumstances where the Honourable Attorney General (in her discretion) will exercise that discretion accordingly to notify the public of any particular individuals. Certainly, if that was a circumstance that came to her attention, in her ultimate discretion, that may be a consideration that she would use to exercise that discretion to put that person on the public register.

The Chairman: Any further speakers? The Chair recognises—

Hon. Kim N. Wilson: Can I just add something before my Honourable Member—

The Chairman: Continue.

Hon. Kim N. Wilson: Thank you. Thank you.

I can also add to that, Mr. Chairman (thank you for your indulgence), that you would have recalled that I did speak previously about the risk assessment. So, a risk assessment will be conducted on all individuals. And that would obviously heighten that individual's risk scoring, if that person was released from prison following no mandatory treatment.

The Chairman: Thank you. The Chair recognises the Honourable Member Pearman.

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

I have two or three questions that can be conveniently clustered together, and then I will [take] an answer if that suits you, Mr. Chairman.

Just a few questions about the Offender Risk Management Team which is dealt with—

The Chairman: Just point to the clause.

Mr. Scott Pearman: Clause 6, subsection (4) on page 3. [Clause] 6, [new section 329FA] subsection (4), and also over the page on page 4, at [clause] 6, [new section 329FA] subsection (11) in the definition sections where we see just above the bottom "Offender Risk Management Team."

Is it envisaged that there would be one team that would deal with all sex offender cases, and that this would be a panel of three who are empanelled and would continue to be empanelled and have consistency? Or is this going to be an ad hoc group of three people from the police, the department of court services, the department of corrections, as and when? What qualifications would apply to these individuals? How long would they be appointed for? And would there be a psychiatrist or a psychologist on the panel as it would seem to be suggested in the debate?

Thank you, Mr. Chairman.

The Chairman: Minister, you . . .

Hon. Kim N. Wilson: Thank you, Mr. Chairman.

I thank that Honourable Member for that question. There would be one team which will have several representatives and the representatives are indicated [at clause 6] in [new section 329FA](11), members of the Bermuda Police Service; the Department of Court Services; as well as the Department of Corrections.

Again, Mr. Chairman, there will be one team, comprised of those members that I just indicated in subsection (11), and it will certainly include a member that has a psychiatric background.

The Chairman: Any further speakers?

The Chair recognises Pat Pamplin—Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: Thank you, Mr. Chairman. Still on clause 6, [new section 329FA](8)—

The Chairman: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: Let me just flip to subsection (8), which says that "a person whose name is listed in the sex offender register may apply to the court for an order reducing the period of registration, or terminating it, on the ground that he does not present a risk of reoffending."

The question that I asked while we were in debate of the whole [House], should that application, or will the conditions of the application be set out in

the code of conduct or some set of rules so that this application must have with it the provision of a professional's opinion? Or will the risk assessment be adequate if he is going to make an application? Because the onus of the application is on the offender. So, the person whose name is listed as the offender may apply to the court. So, with that application, will there have to be a . . . or what will have to come with the application for it to be favourable or effectively considered?

That was question one. And under subsection (9)—

The Chairman: Mm-hmm.

Hon. Patricia J. Gordon-Pamplin: It indicates "The onus of proving that ground is on the person making the application and the standard of proof is that of the balance of probabilities."

So, I guess my question is in terms of the balance of probabilities, it would support that this application should have a professional report and support appended to it.

And the other question that I have was with respect to the mandatory treatment while they are in prison. The Minister responded that we do have sufficient probation officers once they are released. But the question also begs, are there sufficient resources within the prison to ensure that we have adequate staff there that is trained to provide the mandatory training, in terms of psychologists and psychiatrists, within the prison system?

Hon. Kim N. Wilson: Thank you, Mr. Chairman.

Mr. Chairman, with respect to the second question, I will have to get that information from the Minister who sits directly to my left so that I can provide that. However, insofar as clause 6, [subsections] (8) and (9) which the Honourable Member just spoke about, the issues as it relates to the nature of the application to reduce the period of registration, all of the provisions which will relate to that will be set out in the code. And the code will also speak to any type of guidelines, any requirements with respect to reports that have to supplement the application, the timing and the like.

So, the code will speak to all of the requirements that a person needs to make the application for their period to be either reduced or terminated. And when we speak to the balance of probabilities, it is a civil standard. The proof will be, the burden of the proof will be on the applicant to convince the court, based on his application and the supporting documents, why the period should be terminated or reduced.

The Chairman: Any further speakers? The Chair recognises Mr. Pearman.

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

This is page 3 of the Bill, clause 6, and then we take [subsection] (6) over the page, to page 4, [subsection] (7) and there we see the fine of \$3,000. And turning over the page to page 5, at the bottom of [subsection] (12), we saw the fine of \$10,000. Now, I take my Honourable and Learned Minister's point about section 40 of the Interpretation Act, which is the up-to penalty point. But the point made in the debate, and the point I welcome clarity on, is what sort of message it sends if the person who is the convicted criminal does not to do what he or she is supposed to do and we are in the range of a fine of \$3,000, but an innocent person who may be a government administrator who accidentally releases the person's name, we are going to fine them \$10,000. Will the Minister, respectfully, consider sending a better message and perhaps increasing the \$3,000 up to \$10,000 so at least we have equity between the two parties?

The Chairman: Minister?

[Pause]

Hon. Kim N. Wilson: Thank you for your indulgence, Mr. Chairman.

The Chairman: Mm-hmm.

Hon. Kim N. Wilson: Mr. Chairman, perhaps if we continue the debate I will see if I can get further information from the technical team with respect to that. I am certain that, given the point that has just been raised concerning the fines, it is something that the Attorney General will consider. And if she decides in her infinite wisdom that she wishes to change it, then she will do that. She will bring an amendment if need be.

The Chairman: Mr. Pearman?

Mr. Scott Pearman: Grateful, Mr. Chairman.

[Inaudible interjection]

Mr. Scott Pearman: Oh, I am sorry.

The Chairman: Mr. Pearman?

[Inaudible interjections]

The Chairman: Mr. Pearman?

Mr. Scott Pearman: Grateful, Mr. Chairman.

My last question, and this is page 5, clause 7, it is down at "(3A)" here, and it is dealing . . . no, I am sorry, it is at [clause] 7(a) and it is dealing with a bit about "may" and "shall" and the substitution to the principal Act at [section] 329H. And if you look at the

principal Act, what that is doing is making mandatory the production of the protocol provisions. And my question is this: Can the Minister confirm that the protocol . . . once it is mandatorily mandated and produced, will it be made a public document for public benefit?

The Chairman: Pat Gordon-Pamplin—

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

Mr. Chairman, I also have a question with respect to clause 6, [329FA] subsection (6)(f). It is towards the top of page 4, and it is with respect . . . the [paragraph] (f) is that the applicant must comply with other conditions as may be imposed by the offending . . . sorry, it is the one about the travel. Sorry, let me just make sure I have the right reference . . . this is, oh, sorry, it is [clause] 6(6)(e), not (f), “notify the offender risk management team in advance of any plans to travel overseas, and shall not leave Bermuda without the written permission of the team.”

The question is, What is going to happen with that information? So, they have collected it, they know that it is there, and this heinous offender has now hopped on a plane and gone to be a nightmare to some other community. Just what happens with that information that the team is collecting?

The Chairman: Minister.

Hon. Kim N. Wilson: Thank you, Mr. Chairman.

Mr. Chairman, I think . . . I am not sure how to answer that question, because if the information . . . if that person hops on a plane, as is being alluded to, without informing the risk management team, there may not be any idea of how to find out where that individual has travelled.

The Chairman: Let me ask the Honourable Member to clarify.

Hon. Kim N. Wilson: Thank you, Mr. Chairman.

Hon. Patricia J. Gordon-Pamplin: My question is . . . not *without* letting the team know. They tell the team, *I am going to be going to New York tomorrow or on such-and-such a date*, and so now, the team is in possession of the information. What will they do with that information? They know that he is going to be going, and then what?

The Chairman: Now you may, Minister.

Hon. Kim N. Wilson: Thank you, Mr. Chairman.

Mr. Chairman, as I indicated previously, Mr. Chairman, there are . . . oh dear, okay . . . with respect to the question concerning the protocol, [clause] 7(a), I am advised by the Honourable Attorney Gen-

eral that that protocol will be made public. So, that will be released to the public. And with respect to the question as it relates to travel overseas, I will need to collect that information, actually, Mr. Chairman.

The Chairman: Any further speakers? There appear to be none.

[Crosstalk]

Hon. Kim N. Wilson: Again, Mr. Chairman, thank you for your indulgence.

As I indicated, there are relationships between the Bermuda Police Service as well as our overseas law enforcement partners FBI, the Canadian Mounted . . .

The Chairman: Police.

Hon. Kim N. Wilson: Thank you . . . and other sources with those other jurisdictions, so that that information will be provided accordingly to those persons that we have these, liaison relationships with. And as the brief also spoke to, the Minister of Legal Affairs is also looking into establishing MOUs with other jurisdictions.

The Chairman: Mrs. Gordon-Pamplin.

Hon. Patricia J. Gordon-Pamplin: And just one other question, and this is on page 5 under clause 7, section 329H of the principal Act, (3A), in which “the Commissioner of Prisons shall notify the Minister of a sex offender’s pending release at least two months prior to the release date.”

The question is, If that person is going to come out and then they are going to go on the register because they have been accused of a sex offence, if they are not going to be publicised, what really is the purpose of this exercise? They are coming out, they may or may not have been rehabilitated, they may or may not have participated in the plans, in the training course or the rehabilitation course. So, the Commissioner tells the Minister, and the Minister tells the committee, and then what? We do not know what this man, this person, is going to do.

The Chairman: Minister.

Hon. Kim N. Wilson: Thank you, Mr. Chairman.

You would have note that I did indicate in the brief that in circumstances when a person is going to be released, then the Attorney General can provide notice to the victim. So, the provision of getting this information prior to the release will allow the Attorney General to notify the victims accordingly.

Hon. Patricia J. Gordon-Pamplin: Thank you.

The Chairman: Any further speakers?
Minister, you have the floor.

Hon. Kim N. Wilson: Mr. Chairman, thank you.
I would like to move that clauses 1 through 8 be approved.

The Chairman: One second. You need something else, Mrs. Gordon-Pamplin?

Hon. Patricia J. Gordon-Pamplin: Yes, I am sorry, Mr. Chairman. I did have one more question, and that was with the release of someone who has been deemed to be a paedophile, somebody . . . and this is the application and the transitional provisions.

This person is coming out into the community as a paedophile, yes, the victim needs to know. Yes, the family of the victim needs to know. But the offence of paedophilia goes further than the victim or the family of the victim. The offence goes to the proposed victim, the next person down the chain that they may not yet have offended. So, the question is, how are we ensuring that the released paedophile is sufficiently guarded so that he does not have the . . . well, his proclivities are there, that he does not have the ability to offend somebody else's child, in the case of a paedophile?

The Chairman: Minister.

Hon. Kim N. Wilson: Thank you, Mr. Chairman.
Madam Chairman, the brief also indicated that they will continue the use of electronic monitoring devices as well as continue to collaborate with other agencies to provide assistance with that individual, if they wish to partake in it. But there will be electronic monitoring devices installed, there is the power for the Attorney General to utilise that.

The Chairman: Any further speakers?
Minister, you have the floor.

Hon. Kim N. Wilson: Thank you, Mr. Chairman.
I would like to move clauses 1 through 8 *[sic]* be approved and stand as part of the Bill.

The Chairman: [Clause] 1 through 9.

Hon. Kim N. Wilson: Sorry, [clauses] 1 through 9.

The Chairman: It has been moved that clauses 1 through 9 be approved.
Any objections to that?
There appear to be none.
Approved.

[Motion carried: Clauses 1 through 9 passed.]

Hon. Kim N. Wilson: Thank you very much, Mr. Chairman. 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. Kim N. Wilson: 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.

Any objections to that?
There appear to be none.
Approved.
The Bill will be reported to the House.

[Motion carried: The Criminal Code (Sex Offender Management) Amendment Act 2018 was considered by a Committee of the whole House and passed without amendment.]

House resumed at 4:29 pm

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

REPORT OF COMMITTEE

CRIMINAL CODE (SEX OFFENDER MANAGEMENT) AMENDMENT ACT 2018

The Speaker: Good afternoon, Members.
Are there any objections to the Criminal Code (Sex Offender Management) Amendment Act 2018 being reported to the House as printed?

Hon. Zane J. S. De Silva: Yes. I am not ready.

[Laughter]

The Speaker: No objections. So, it is so done, and it is now reported.

That now brings us to the close of that matter and leads us on to the second matter to be taken up this afternoon on the Orders of the Day, which actually is [Order] No. 3 on the Order Paper. It is the consideration of the Tourism Investment (Bermudiana Beach Resort) Order 2018 in the name of the Minister of Tourism and Transportation. Minister, are you comfortable enough now?

Hon. Zane J. S. De Silva: Yes, yes.

[Laughter]

The Speaker: Minister, you have the floor.

ORDER

TOURISM INVESTMENT (BERMUDIANA BEACH RESORT) ORDER 2018

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

Mr. Speaker, I move that consideration be given to the draft Order entitled [Tourism Investment \(Bermudiana Beach Resort\) Order 2018](#).

The Speaker: Are there any objections to that?

No objections.

Minister.

Hon. Zane J. S. De Silva: Okay. All right.

Okay, Mr. Speaker, the Tourism Investment (Bermudiana Beach [Resort]) Order 2018 seeks to encourage and support developers of the Bermudiana Beach Resort with their investment in Bermuda by providing relief from customs duty in respect of furniture, fixtures and equipment, operating systems and equipment, exemption from Hotel Occupancy Tax, exemption from Land Tax, exemption of the employer's share of the Payroll Tax, and a deferral of landholding charges payable under section 96(2) of the Bermuda Immigration and Protection Act 1956. Mr. Speaker, the relief exemptions and deferral are all subject to certain conditions and/or apply for fixed periods only.

Mr. Speaker, the Tourism Investment (Bermudiana Beach [Resort]) Order 2018 is created in accordance with the Tourism Investment Act 2017 and is for the redevelopment of the Grand Atlantic property in Warwick as a new mid-market boutique resort renamed the Bermudiana Beach Resort.

Mr. Speaker, Honourable Members will be aware that the Grand Atlantic was built in 2011 as affordable housing for local families featuring 78 apartments. This property is now wholly owned by the Bermuda Housing Corporation [BHC] whose mandate is to provide affordable and quality housing and to promote home ownership to all Bermudians.

Earlier this year, Members will recall the amendment made to the Bermuda Housing Act 1980 to enable the Tourism Investment Act 2017 to be extended to this BHC project. The specific purpose of the amendment Act was to provide for the statutory exemptions to Stamp Duty and Land Tax and to apply the Tourism Investment Act to the development project that will convert the Grand Atlantic to the Bermudiana Beach Resort.

In November of this year, the Bermuda Housing Corporation submitted an application for a tourism investment order on behalf of the Bermudiana Development Company, which was incorporated on October 31, 2018, in respect of the Bermudiana Beach Resort Development.

Mr. Speaker, the Bermudiana Beach Resort will be a mid-market condo/hotel consisting of nine buildings with additional leisure facilities, which will be operated as a resort under a major international hotel branded franchise. The Bermuda Housing Corporation has engaged a specialist development team including MacLellan & Associates, Bermuda Realty Company, Limited and [OBMI] Limited Bermuda to execute the conversion of the Grand Atlantic into the Bermudiana, a condo/hotel providing 105 rooms and suites with full resort facilities.

Mr. Speaker, the nine buildings which currently contain the 78 aforementioned apartments, will be converted into 71 units for sale providing 105 hotel keys. Each of the nine existing buildings will be refitted with new and improved fixtures consistent with a four-star hotel. Additional kitchenette and bath facilities will be added to a portion of the rooms to create the 105 keys.

Mr. Speaker, Honourable Members will also be interested to note that outdoor amenities will include two recreational pools, one with an infinity pool design, walking and patio areas and a funicular lift to the beach below. External elevators will be added to the buildings as part of the hotel operator requirements. Seven of the existing units will be converted into the communal facilities to include a reception area, restaurant, spa, gym, back of the house support, and food and beverage areas.

Mr. Speaker, the development is scheduled to take place in two phases. The commencement of phase one is subject to the process of satisfying regulatory requirements and permissions. Completion is targeted for May 2019. Phase two is expected to commence in June 2019 and be completed in May of 2020.

Mr. Speaker, as required by section 5(2) of the Tourism Investment Act 2017, the Minister responsible for Tourism, in consultation with the Bermuda Tourism Authority, must consider all relevant circumstances in determining whether a proposed tourism project is in the national economic interest of the Island and, in particular, whether the proposed tourism product is likely to benefit the tourism industry and the economy generally and whether it is likely to encourage local investment.

Mr. Speaker, I am satisfied that these particulars have been met and therefore, as Minister, propose to make the Tourism Investment (Bermudiana Beach Resort) Order 2018 as follows:

- full relief from Customs Duty in respect of furniture, fixtures and equipment, as well as operating systems and associated equipment, for a period not exceeding 10 years from the hotel's opening date;
- full exemption from Hotel Occupancy Tax for a period not exceeding 10 years from the hotel's opening date;

- full exemption from Land Tax, commencing six years after the hotel's opening date and ending on the 10th anniversary of that date;
- full exemption of the employer's share of payroll tax for a period not exceeding 10 years after the hotel's opening date; and
- furlough of the Land Holding Charges payable under section 96(2) of the Bermuda Immigration and Protection Act 1956 for a period not exceeding 10 years after the hotel's opening date.

Mr. Speaker, in order to qualify for the exemption of Land Tax, the hotel developer, for the relevant period, must confirm in writing to the Minister in years 6 through 10, after the hotel's opening date, that 70 per cent of the hotel's staff are Bermudian.

Mr. Speaker, in order to qualify for the exemption from the employer's share of the payroll tax, the Minister responsible for Workforce Development shall, for the relevant period, confirm in writing to the Minister annually that a management training programme for Bermudians is in operation at this property.

Mr. Speaker, I would like to highlight section 4(3) of the Order which states, "Where construction of the hotel development is not complete by the third anniversary of the date of this Order, the relief granted . . . shall cease to have effect." Mr. Speaker, this provision ensures that this Order, like the ones to follow it and unlike the concession orders which preceded it, will have a start date and an end date.

As alluded earlier in my statement, the Tourism Investment Act 2017 and this Tourism Investment (Bermudiana Beach Resort) Order 2018 are meant to encourage local investment, in particular, facilitate investment in our tourism sector which will ultimately prove beneficial to the economy generally.

Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

We now recognise the Deputy Opposition Leader. Honourable Member, you have the floor.

Ms. Leah K. Scott: Mr. Speaker, we on this side have no opposition to the Order. I know that for some years they have been trying to get some development going up in that area and I am for anything that is going to allow for investment in Bermuda, create jobs and enhance our tourism product. So, there is no opposition on this side, Minister.

The Speaker: Does any other Member wish to speak?

We recognise the Honourable Member from constituency 24.

Mr. W. Lawrence Scott: Yes, sir.

The Speaker: Honourable Member Scott, I believe it is your little parish proper now, eh?

Mr. W. Lawrence Scott: It is in my constituency, which is why I feel as though I must get up and speak about this. And I also have to declare my interest, as I do sit on the board of the Bermuda Housing Corporation, which has helped pilot this [project] this far.

But what I wanted to do was just sort of give a little bit of history, spanning back just a few hundred years on the topic at hand, because I think that this . . . although this is one Bill, or one Order, I should say, it represents so much of what Bermuda is about and has been about and where we are going in the future. And that is where I go back to the 1700s where Bermuda was basically focused on just basically the, what we would call in today's society, the blue economy, and that was ocean and sailing and we even tried pearl diving for a little bit.

But then we moved into the 1800s and went to agriculture, tobacco, and the salt trades. And then we went to the 1900s. And the 1900s is where Princess Victoria and Mark Twain actually put us on the map for tourism. And I see my colleague over there from constituency 32 looking very amused and intrigued. And he looks a little bewildered, because he is not quite sure where I am going with it. But I am providing him with new information that he has not heard before.

So, therefore, what I am trying to do is I am showing you how serious and how big tourism is for Bermuda and Bermudians and how this is a . . . it is a throwback to the future. But you will see where I am going with that one. But after Princess Victoria and Mark Twain put Bermuda on the map for tourism, it was the ending of the World War II, which had the airport being built, which had the US Navy being here and them selling [Bermuda] to other . . . to their families, and bringing their families back and reliving their heydays.

But, Mr. Speaker, I am going to now fast-forward to a time and era where you would be more familiar with which would be the 1960s and 1970s—

The Speaker: Good times.

[Laughter]

Mr. W. Lawrence Scott: —where the—

The Speaker: Very good times. Good times. That is right.

[Laughter]

Mr. W. Lawrence Scott: And that is where . . . I mean, I understand that in the 1960s and 1970s the Deputy Speaker was probably 60 and 70. But back then, the main pillar of our economy was tourism. And I was not around for that, but I hear that that was when you had the large hotels and the guest houses were originating. And guest houses were very popular

because they actually . . . because that was at a time when we had the segregated society and blacks were not allowed in the hotels themselves. So, the guest houses housed the blacks and the Jewish visitors while the hotels housed the whites.

But now, Mr. Speaker, this is where my god-mother, Georgine Hill's husband, comes into play. Mr. Hilton Hill was a travel agent back in the day and he actually sat in this House, not as an MP but as an MCP—a member of the Colonial Parliament. And he was also a proud member of the Alpha Phi Alpha Fraternity, Incorporated. But, I digress. Mr. Hilton Hill also actually helped attract black Bermudians to the Island and put them up in these guest houses which, in today's society would say it was probably like Airbnb-style accommodations.

So, I hope you are starting to see the trend here, Mr. Speaker.

The Speaker: Well, well . . . we are getting there, we are getting there.

[Laughter]

The Speaker: We are getting there.

Mr. W. Lawrence Scott: Yes, I am getting there. But the thing is that—

[Inaudible interjections]

Mr. W. Lawrence Scott: Is that Bermudians—

[Inaudible interjections]

The Speaker: [He's] stuck in the 1970s still.

Mr. W. Lawrence Scott: Bermudians have always been and have always excelled at hospitality, Mr. Speaker. Right?

[Inaudible interjections]

Mr. W. Lawrence Scott: The thing is that we were so good at what we did, and what we do, that people actually mimicked us. They took our playbook. [But] the bad news about us being so good and having people actually taking our playbook is that they started to do it better than us. Right?

And as I heard the former Finance Minister Bob Richards say, *Somebody else will eat your lunch*. That is what our neighbours to the south have done since the 1960s and 1970s. They have become . . . so now the question is, How does that happen? How do you go from being the best in the business—the best at what you are good at—to struggling to be competitive, struggling to be relevant? And that is something that I fight with as an Arsenal fan.

But we found the answer to that and we are relevant once again. But in this case—

[Inaudible interjections]

Mr. W. Lawrence Scott: And the Opposition Leader is also a Gunner, so everything is not that bad. But the thing is—

[Inaudible interjections]

Mr. W. Lawrence Scott: But the thing is that the way that we went from being the best at where we were and what we were doing was that there was a shift in focus. And we shifted our focus from tourism to Bermuda, Incorporated, shortly known as Bermuda, Inc. All right? And, who was the leader and the orchestrator of that? That was the former Premier. But at the time he was the Finance Minister, Dr. David Saul. And so, when he shifted the focus from our tourism model, which was a main pillar in our economy to a more business-centric, a more business-focused economy—

[Inaudible interjections]

Mr. W. Lawrence Scott: —so, therefore, so—

[Inaudible interjections]

Mr. W. Lawrence Scott: I am hearing Members interpolating, so that threw me off. All right. But the thing is the Honourable Member Derrick Burgess says it was not Dr. Saul, but it was actually Gibbons that shifted it, shifted the focus. But, Dr. Saul coined the term “Bermuda, Incorporated” and “Bermuda, Inc.” and under his leadership as Minister of Finance and under his then continued leadership as the Premier, we started to really focus and shift, and shift the jobs away, Mr. Speaker.

And the thing is this: You have to ask what effect did that shift in focus have on us as a country? And it was that the larger hotels did . . . tourism was a large employer, Mr. Speaker. You had the larger hotels which had employed Bermudians. They employed Bermudians in hospitality service, as a waiter, maître d', bartending, housekeeping. And then you had entertainment, Mr. Speaker. You had members of this community, I will name the Talbot Brothers, the Travellers, and Hubert Smith. I would sing at a bar or two. But I do not want to show up my Member from constituency number—

The Speaker: Well, well, well, I think you should stick to just presenting your presentation.

Mr. W. Lawrence Scott: Yes, okay.

[Inaudible interjections]

Mr. W. Lawrence Scott: I will leave that to the Junior Minister.

[Laughter]

Mr. W. Lawrence Scott: But we all know that Hubert Smith came up with *Bermuda is Another World*, right. And I cannot talk about Bermudian entertainers during the height of our tourism boom without mentioning Gene Steede. But also we talked about the Holiday Review, the Holiday Island Review.

But also, Mr. Speaker, what tourism has done, and [what we are] talking about [is how] tourism provided entrepreneurship and small business owners. Small business owners like Vernon Jackson, who is the uncle to Members on both sides of the House, and happens to be the uncle to both of the Whips for either party, myself and the Honourable Susan Jackson.

[Inaudible interjections and laughter]

Mr. W. Lawrence Scott: And, so . . . but also, I mentioned Mr. Vernon Jackson not because he is a relative of mine, Mr. Speaker, but because—

[Inaudible interjections]

Mr. W. Lawrence Scott: No. And, no, it does help because that means he was one of the better-looking members of our society—

[Laughter]

Mr. W. Lawrence Scott: But, Mr. Speaker, I mentioned Mr. Vernon Jackson because he was a business owner. He actually owned one of those small guest cottages, which was named Sapphire Bay, which happened to be located on the South Shore in Warwick.

And I could actually go a little bit further, Mr. Speaker, and talk about how Sapphire Bay's exact location was across from where Swizzle South is now, in Warwick, which means that it was exactly in the position and in the place that Grand Atlantic is now.

[Inaudible interjections]

Mr. W. Lawrence Scott: And the Honourable Opposition Leader says he just wants to get concessions. And I understand that. I understand that. But the thing is that I want to give Bermudians the background, especially that this is in the blessed area of the country known as constituency 24.

So, the thing is that with it being there, with it having been built there, and not just one . . . you had Sapphire Bay, you had ABC which was the Atlantic Beach Club, you have also had the proposed Ritz-Carlton hotel which is proposed to be in the same location, you also had the Golden Hind that was there.

But yet, what I find interesting, Mr. Speaker, is that although you have had all these properties sitting there in the same place, under the UBP, there was no problem.

And [there is] one thing I want to clarify, because it was made so prevalent leading up to 2012 that if you put a property there it would fall into the ocean. But, yet, we have had other properties in that same exact place.

[Inaudible interjections]

Mr. W. Lawrence Scott: But nobody came out saying that about Sapphire Bay. Nobody said that about Atlantic Beach Club. Nobody said that about Ritz-Carlton. But, I digress, because I am going to show what happened as we shifted our focus away.

When we shifted our focus away from a tourism economy, what happened was that what disappeared was not just the Sapphire Bay guest cottage. What disappeared was not just the Atlantic Beach Club, but it was also the jobs that were in tourism and hospitality that went along with that. It was the waiters that disappeared, the busboys that disappeared, the bartenders, the housekeepers, and the hotel managers. They also disappeared.

And so, in my last speech, Mr. Speaker, I talked about and I made an impassioned plea to Bermudians not just here on Island that are unemployed, but to Bermudians that left the Island between 2012 and 2017. And the Honourable Opposition Leader said that he wants to give concessions. But this is more than the giving of concessions, Mr. Speaker. This Bill is a template on how we can move forward in bringing Bermudians back. We all talk about making sure that we need to have increased population. We need to have more people on this Island, more heads in beds, more butts in seats.

[Inaudible interjection]

Mr. W. Lawrence Scott: And the Honourable Opposition Leader, again, talks about giving concessions. And I repeat the fact that this is more than giving concessions. This is planting the seeds in which, hopefully, we should be able to harvest the return of Bermudians to take up jobs in hospitality and raise tourism to be a stronger pillar of our economy than it is now.

So, yes, this . . . what is printed on the papers that we have in front of us is about concessions. But the effect that this paper has, the effect with what we are going to do in this House today has far-reaching and long-term benefits. And I do not want that to go unnoticed. I do not want that to go unsung. And I do not want that to be, I will say, disrespected, because we will be quick—and I say “we” meaning both sides of this aisle.

We will be quick to point out what the other has done wrong, what the other should have done,

what the other did not do. But what I want us to focus on today is that this concession leads to 100-plus Bermudian jobs. This leads to an educational programme in the Bermuda College that provides a succession plan for these jobs so that we will always have Bermudians minding these jobs, being managers of this property, being supervisors within this property at any given time.

[Inaudible interjection]

Mr. W. Lawrence Scott: And the Honourable Opposition Leader brings up a good point that it is not just the Grand Atlantic or the Bermudiana Beach that will benefit. St. Regis will benefit with this . . . well, from this concession, but also from the education aspect that is going to be in the Bermuda College.

So, Mr. Speaker, I do not stand here today trying to profess that this concession, this one concession, is going to be the silver bullet that brings all the Bermudians that we need, the thousands of Bermudians that are overseas back to Bermuda. I do not propose that this is a silver bullet that fixes our tourism economy. But what I do want to do, and I am taking this time out purposely to show that the PLP administration is serious about having Bermudians move back.

We are reducing the cost of living through reducing the cost of health care per person, per household. We are increasing wages through a liveable wage and minimum wages. But now we are helping to provide those jobs. We have already talked about, and we have also looked at providing housing for members of the community, or Bermudians who are overseas who want to come back. So, we are laying down the foundation that will be able to support thousands of Bermudians coming back home so that they too, Mr. Speaker, can have fun like you did during the longtail season of the 1960s and 1970s. And so that they too—

[Laughter]

Mr. W. Lawrence Scott: —can enjoy—

[Inaudible interjection]

Mr. W. Lawrence Scott: Yes, they too can enjoy the summers here, working and being prosperous.

They too can have the ability to be successful, not just as employees, all right, but also as employers where they can own a piece of the rock. They can be able to provide jobs in hospitality, and that is what this Order does today, Mr. Speaker.

And I am glad that the launch of this *Field of Dreams*, as it could be, *if you build it, they will come*, the fact that the start to a better and fairer Bermuda starts in constituency 24. Right there at the Bermudiana Beach property. And, Mr. Speaker, I think I will

end on a Biblical note that when they say *the stone that the builders rejected*, Mr. Speaker, *the stone that the builders rejected*. And this is the one that they said was going to fall into the ocean, Mr. Speaker! This is the one that they said we could not sell it to Bermudians so that they could live there. Nobody bought it, Mr. Speaker, that the fact that they said that . . . and, and, Mr. Speaker—

[Inaudible interjections]

Mr. W. Lawrence Scott: And, Mr. Speaker, Mr. Speaker, the fact that this is the same property that they tried to say nothing could be done with, Mr. Speaker, *the stone that the builders rejected* is now going to be the foundation on which our future in tourism prospers from.

Thank you very much, Mr. Speaker.

The Speaker: Thank you, Honourable Member. Does any other Member wish to speak?

We recognise the Minister for Works. Minister, you have the floor.

Lt. Col. Hon. David A. Burch: Mr. Speaker, there will be no Biblical references from me.

[Laughter]

Lt. Col. Hon. David A. Burch: Mr. Speaker, just a few things.

I did take note of the Minister who presented this Order. And let me first say thank you both to him and to the Opposition for supporting this. But I noted in particular the comment that he made in his penultimate paragraph in his statement about, and I quote, “where construction of the hotel development is not complete by the third anniversary of the date of this Order, the relief granted . . . shall cease to have effect.”

Mr. Speaker, I can assure the Minister that he better plan on keeping this Order in effect because construction has in fact already begun. Mr. Speaker, you will recall that on August 10th we passed certain amendments to the BHC Act to allow for the incorporation of some subsidiaries. Much to my chagrin, it came as late as it did and obviously to the irritation of other Members of this House. But what I can say, Mr. Speaker, is that it has allowed us to press on immediately.

And for those of us who occasionally travel on the South Shore Road, they will notice that we now have about seven of those buildings that look like the houses of many colours, Mr. Speaker, because they are painted in beautiful pastel Bermuda colours as part of the process to get to launching this project. What folks will not see, or will not have been able to see that has occurred already, is the virtual complete gutting of all of the bathrooms in all of the buildings as

well as the kitchens and—so that the appliances and furnishings and fixtures can be upgraded.

But in the spirit of frugality, Mr. Speaker, in gutting those appliances and fittings and fixtures, we have repurposed them, and are using them in not only other BHC [Bermuda Housing Corporation] projects, but also in the wider context of government. As an example, Mr. Speaker, each of those units had a washer and dryer in them and they, of course, are being replaced as well. I can report that two of them, I believe two of each were donated to the Farm facility in St. George's that needed a replacement washer and dryer at no additional cost to the Bermudian taxpayer, as well as there has been some donation of similar appliances to the residential treatment centre that also needed some appliances, Mr. Speaker.

In addition to that, Mr. Speaker, a resident manager to oversee the renovations has been on site for the last three months carrying out and supervising those works. He has done it in other jurisdictions, and the primary part of his remit in our particular case, is that he must open this hotel with a Bermudian general manager. They have committed to doing so. And they have the expertise to be able to identify a young Bermudian at this stage of the game and get him trained up so that the hotel will be under Bermudian management.

An Hon. Member: Hear, hear!

Lt. Col. Hon. David A. Burch: Mr. Speaker, I guess the question is, and it was asked at some point in some place, about how this fits into the mandate of the Bermuda Housing Corporation to provide affordable housing to the people of this country. And I will answer it for you, Mr. Speaker.

The Speaker: Go ahead.

Lt. Col. Hon. David A. Burch: We have been criticised, both the former PLP Government and this administration, for building a white elephant. Mr. Speaker, it is not quite as big a white elephant as 20 houses for \$25 million. But I could use the same analogy; we are making lemonade out of lemons, Mr. Speaker. And the idea behind this exercise is so that the Bermuda Housing Corporation can recoup its investment in building Grand Atlantic in the first place, and to utilise those funds to get out from under an indebtedness and allow them to refocus on their mandate to provide affordable housing for the people of this country.

Mr. Speaker, I can also advise that we will expect an announcement early in the new year, once the show units have been completed. At that time it will also trigger the announcement of who the hotel partner is. That is, we know who it is, Mr. Speaker. I will not speak about it publicly because I learn new things every day, and one of those new things is that

the moment you call their name you have to start paying them some money.

[Laughter]

Lt. Col. Hon. David A. Burch: And the bottom line, Mr. Speaker, is that . . . I actually saw it in somebody's written correspondence recently and I said, *Oh, no, you can't say that because we don't want to start paying money until we absolutely have to.*

What that will also trigger, Mr. Speaker, is access to their worldwide network of reservations and advertising and whatever else to be able to market this project. And so, Mr. Speaker, we are on the threshold of creating for the first time in a number of years a three-star hotel in this country that we believe will go a long way in assisting in the revitalisation of tourism, and also the creation of jobs for Bermudians in this country.

So thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

No other Member?

Minister, you can bring us to a . . .

Hon. Zane J. S. De Silva: Close?

The Speaker: Close. Yes.

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

I move that the said draft Order be approved and that a suitable message be sent to his Excellency the Governor.

The Speaker: Well, I did not mean it that quickly, but we will accept that.

[Laughter]

The Speaker: I thought there might have been a bit of comment with that.

[Laughter and inaudible interjections]

The Speaker: No objections?

No objections. The said Order will be delivered to the Governor.

[Motion carried: The Tourism Investment (Bermudiana Beach Resort) Order 2018 was approved.]

The Speaker: Now, I understand that all other matters on the Order Paper have been carried over. So that bring us to the third reading.

Is the Minister of Health available?

Hon. Zane J. S. De Silva: Mr. Speaker?

[Inaudible interjections]

The Speaker: Yes, yes. You're going to speak from your seat.

[Inaudible interjections]

An Hon. Member: You are the Minister of Health, right?

[Laughter]

Hon. Zane J. S. De Silva: Yes, Minister of Health. You confused me, Mr. Speaker.

The Speaker: Well, I was looking for the . . . the . . . no.

An Hon. Member: Don't get yourself in trouble.

The Speaker: I almost did.

[Inaudible interjections]

SUSPENSION OF STANDING ORDER 21

Hon. Zane J. S. De Silva: Mr. Speaker, I move that Standing Order 21 be suspended to enable me to move that the Bill entitled Criminal Code (Sex Offender Management) Amendment Act 2018 be now read the third time by its title only.

The Speaker: Any objections?
No objections.
Continue on.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

CRIMINAL CODE (SEX OFFENDER MANAGEMENT) AMENDMENT ACT 2018

Hon. Zane J. S. De Silva: I move that Bill be now read a third time by its title only and passed.

The Speaker: Thank you.
Minister.

[Motion carried: The Criminal Code (Sex Offender Management) Amendment Act 2018 was read a third time and passed.]

The Speaker: Now, Minister, would you like to take us to the next portion of this day?

Hon. Zane J. S. De Silva: Sure. Why not, Mr. Speaker?

The Speaker: We stand . . .

ADJOURNMENT

Hon. Zane J. S. De Silva: Yes, we stand adjourned until Monday morning at ten o'clock.

The Speaker: [On] Monday morning 10:00 am.
Does any Member wish to speak to that?

[Inaudible interjections]

The Speaker: I recognise the Member from constituency 10.

ARBITRADE

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

Mr. Speaker, for some months now this Government has concentrated heavily on FinTech, which we in the Opposition have generally supported. But at the same time, they have made many public statements about various MOUs that they have signed earlier, and issued a licence under the Companies Amendment Act, section 4AA, for the non-Bermudian company Arbitrade to buy Bermudian land.

Mr. Speaker, many, including myself, have asked questions about the MOUs and, of course, more recently, the proposed business operations of Arbitrade, which in many cases have been enshrouded in secrecy by the principals.

Mr. Speaker, a few questions have been answered to date. As I mentioned earlier today, questions that I asked to the Honourable Premier during the July Premier Question Period, have not been answered, in spite of a commitment by the Premier at that time. So, Mr. Speaker, what we see instead of transparency and accountability in answering these questions, we see continuing attacks on messengers who are asking those questions.

Two weeks ago, the Honourable Member from constituency 27 castigated me for asking questions, as the Premier did this morning.

The Honourable Member from constituency 29, and I quote his comments during the debate, "Officials of Arbitrade were listening to the session."

[Inaudible interjections]

Hon. Michael H. Dunkley: The Honourable Member made what I thought was a good offer at the time. He offered to contact them and arrange for me to communicate with them, but this did not come to fruition. As the Minister said in an email exchange, and I will quote, "Due to your actions" (referring to me, Mr.

Speaker) “over the past several months they think talking to you would be worth zero.”

I replied to the Honourable Minister. “I want Bermuda to progress, but if some will not answer questions, I am left with no option other than to keep asking, doing research, and speaking for the many who reach out on a regular basis to me.”

The Honourable [Minister] replied in an email. “Maybe if you did not trash them so much, they would talk to you.” (I go on with a direct quote, Mr. Speaker.) “It’s okay to ask questions and to research, bro, but it is the insinuations that piss them off and tarnish Bermuda’s name. There is a parliamentary process regarding the asking of questions.” That is the end of the direct quotes in the email.

Mr. Speaker, you cannot make this type of stuff up. Yes, as a Member who has served in this Honourable Chamber for a number of years, I am well aware of the parliamentary process for asking questions. Indeed, as I have already explained, this was done, and the questions were not answered. In spite of a commitment, Mr. [Speaker], to date this has not been followed up on.

Simple questions, Mr. [Speaker], which I think bear repeating. The Honourable Premier tweeted about a meeting he had with Arbitrade. I believe it was on May 31st that he had met with officials of the company during which they had demonstrated their cryptocurrency platform. And, I quote, “explained plans to create more job opportunities in Bermuda for Bermudians.”

Mr. [Speaker], in my view, the question was quite simple. Who made up the Arbitrade team that demonstrated that platform and who was the local contact? At the time the Premier was unwilling to answer a simple and straightforward question, because he said, he wanted to make sure that he got all the names correct. And I accepted that. But since that time it has not been followed up.

And, Mr. Speaker, I could accept that if there were individuals who came to the Island, part of a new company trying to set up in Bermuda, you might not remember all of their names, and you might want to be accurate. But to forget the local rep, I seem to believe that this might be some stretch of the imagination. And so those questions are still out there.

Now, Mr. Speaker, in regard to asking questions. It is our job as Opposition to ask questions, to probe, to review matters, to do research. And I, and all of my colleagues, will never shy away from that awesome responsibility that we face, in spite of the potential adversity and slander that may come our way. Mr. Speaker, the Honourable Member from constituency 29 said that due to my actions over the past several months, they think talking to me (his quote) would be worth zero.

Well, Mr. [Speaker], when I challenged the Honourable Minister on what actions, or his words, “trash [them]” means, he did not reply. And I would

hope that he would reply tonight, Mr. Speaker. But I do not believe that there is anything of substance in there because, simply, asking questions *is* appropriate. And I know when Honourable Members who sit on that side now, used to sit on this side, the questions came at a rapid rate, Mr. Speaker, and they were repeated over and over and over again.

So, Mr. Speaker, why would I want to learn more about this company and their plans? Why would I continue to ask questions about this company and their plans? Well, Mr. [Speaker], it is a fact that over 90 per cent of initial coin offerings [ICOs] fail. It is also a fact that 80 per cent of them are involved in some kind of scam or fraud.

[Mr. Rolfe Commissiong, Acting Speaker, in the Chair]

Hon. Wayne Caines: Point of order.

The Acting Speaker: The Chair recognises the Member from [constituency] 14.

What is your point of order, sir?

POINT OF ORDER

[Misleading]

Hon. Wayne Caines: That the Member is misleading the House. It is incorrect that that percentage of ICOs are frauds. And can the Member cite his source?

The Acting Speaker: Thank you.

Hon. Michael H. Dunkley: Yes, Mr. Acting Speaker, I will cite my source. It is the Statist Group that does research, and they are very well at researching it. I am happy to provide the information to the Honourable Member when I—

[Inaudible interjections]

An Hon. Member: Who is this?

Hon. Zane J. S. De Silva: The lunatic.

Hon. Michael H. Dunkley: The Honourable Member from constituency 29 says “the lunatic.” No, I don’t know who the lunatic you are referring to is, but I think the Statis Corporation, the Statis Corporation—

[Inaudible interjections]

[Gavel]

Hon. Michael H. Dunkley: —would have something to say about that Mr. [Acting] Speaker.

So if Honourable Members are so sensitive about this information, it might make sense to sit and listen and then reply in their own time, Mr. Acting Speaker, because this is not a good track record. This

is not a good track record. Well-meaning investors, Mr. Acting Speaker, I think you would agree, need to be protected. Well-meaning investors need to be protected by some of these schemes that are nothing more than a pump and dump, which our history has shown do not end up well for people.

In addition, Mr. Acting Speaker, as the Honourable Premier and the Honourable Minister of National Security who have travelled extensively will know, it is important that at all times we protect our hard-earned reputation and [acknowledge] the constant oversight that we will continue to get from all over the globe. We need to protect our reputation and we cannot afford to get involved in any business that would cast an unwarranted spotlight on what we do here.

So, yes, Mr. Acting Speaker, I will stand and continue to ask questions for full disclosure, transparency, and accountability. And that is why I ask questions today, and that is why I will continue to ask questions.

Now, Mr. Acting Speaker, as Premier I served with pride with my colleagues, working tirelessly with colleagues, agencies and individuals, promoting Bermuda and defending our reputation all over the world. And this has not changed with the current Government. They have been working assiduously to bring business and opportunity to Bermuda. And that hard work is rewarding when you get to meet good people and you provide opportunity and have success in what you want to do. So, against the backdrop, Mr. Speaker—as the [Acting Speaker] has left and the Speaker is coming back in—

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

Hon. Michael H. Dunkley: —the last thing I want, or anyone wants, is to lose opportunity.

However, Mr. Speaker, we must never compromise our values and we must never compromise the need to stand with good relationships that we have built through time. Every new opportunity must be thoroughly scrutinised to make sure it is good for our Island and our people. Mr. Speaker, if those wanting to do business in Bermuda are not up to facing the sunshine of public scrutiny, then we must question why they would not want to [answer] those questions.

Now, before I go on to some questions about this subject, let me say, Mr. Speaker, if I get something wrong, I will be the first to admit it. But you have to ask questions in order to learn and in order to move forward. And asking questions and getting answers is the most important part of us making progress together.

So, Mr. Speaker, as time marches on and more and more of those self-imposed deadlines by Arbitrade are not met, the land in the —

Hon. Wayne L. Furbert: Point of order, Mr. Speaker.

The Speaker: Point of order. We will take a point of order.

POINT OF ORDER

[Imputing improper motives]

Hon. Wayne L. Furbert: The Honourable Member is insinuating . . . imputing improper motives regarding Arbitrade. How does he define that they are not meeting certain deadlines?

The Speaker: Thank you.
Continue.

Hon. Michael H. Dunkley: Mr. Speaker, that is not imputing any improper motives by Members. They committed to deadlines and they have not followed through. I am happy to talk to the Honourable Member in more detail, but I am using up my time here, Mr. Speaker, and I am not going to be side-lined by various interpolations or meaningless points of order. They have had timelines which they have changed. Timelines . . . for example, simple things about putting a website up that people can look to that has pushed back from day-to-day.

[Inaudible interjection]

Hon. Michael H. Dunkley: And I will get into it. Here is . . . I will ask you some questions. So, as time marches on, this company says they have title to 395,000 kgs of gold, valued at \$15 billion, Mr. Speaker. And they have had an audit done, but cannot provide any backing of the claims. How was that gold purchased? How did they procure that gold?—

[Inaudible interjection]

Hon. Michael H. Dunkley: They claim that they—
The Honourable Member who likes to interpolate comes up with childish comments. He will have his chance to speak.
But these are serious questions.

The Speaker: Speak to the Chair. Speak to the Chair.

Hon. Michael H. Dunkley: They claim they have plans to store the gold on the Island. Well, how will this be done? What costs will be involved. They claim an audit of the gold would be done.

[Inaudible interjections]

The Speaker: Members, Members.

Hon. Michael H. Dunkley: And I hear Honourable Members say—

The Speaker: Members! Let the Member speak to me and you can address that later.

Hon. Michael H. Dunkley: *Well, what does that got to do with us?* If somebody is making claims that they have \$15 billion worth of gold, and they are going to bring it to the Island, they just can't bring it in on the next JetBlue that comes in tonight.

POINT OF ORDER

[Misleading]

Hon. Wayne Caines: Point of order, Mr. Speaker.

This Member is misleading the House. He is misleading the House for one primary reason. The primary reason is that there is a vetting system that they are going through with the Bermuda Monetary Authority with the FinTech Advisory Committee. That is the process in which they go. This is midstream; they have not finished it. He is misleading the House saying that they have not met timelines, when the process is ongoing.

The Speaker: And I think the basis of where he started was about questions, so I am sure there are Members over on your side who are very capable of providing the clarity that is needed, and I look forward to hearing the clarity.

I think the Member did say if he is proven to be wrong he will accept that he was wrong, so clarity will help to set us straight on this one.

[Inaudible interjections]

The Speaker: Thank you.

Hon. Michael H. Dunkley: Yes, Mr. Speaker, I look forward to having some of those questions answered and having some more light shed on this.

So, they claim that an audit was done on the gold, and I ask, Where is the audit?

They claim to investors, Mr. Speaker, that each dignity token is backed by one-dollar worth of gold. How does the company profit by selling a one-dollar token for a price of one dollar, that is currently priced at just over one-half cent each?

How does one get title to \$15 billion dollars' worth of gold, yet there is no news on any of the world gold markets about it? It is not a small quantity of gold. No one went down to Crisson's and bought this gold. It is \$15 billion dollars' worth of gold.

The Premier stated earlier today in the House, and in his Statement of October 31st, that financial background checks have been done before approval to buy Victoria Hall. Well, I question those financial and background checks and on who they were done, and the question remains outstanding that it cannot be answered because of disclosure problems they would

have. But, Mr. Speaker, in looking at the individuals, there are many questions that remain.

Mr. Speaker, one of the things that I found interesting about Arbitrade, and I am still willing to talk to the company and have a conversation—

[Inaudible interjections]

Hon. Michael H. Dunkley: And they say, *Why would they want to talk to me?* To clear up issues.

[Inaudible interjections]

Hon. Michael H. Dunkley: To clear up issues.

The Speaker: Members. Members.

Hon. Michael H. Dunkley: Mr. Speaker, I must be hitting a nerve because—

The Speaker: Members. Members.

Hon. Michael H. Dunkley: —they are all talking. They are coming in the door to talk.

The Speaker: Members.

Let me just take a moment. Let me just take a moment here and try and add some light to this.

I understand that this is a new path that the Government is going on to bring industry into Bermuda. I sit here and say it is like any other new opportunity to come into Bermuda. They have to be vetted. They have to go through the process, and I believe that at this stage they are going through that process. And they are being vetted by the proper authorities. They are being vetted by the Bermuda Monetary Authority and others. And I expect that this process will get to some point where they say, *Tick*, they can go forward. Or, *Tick*, they won't go forward. But we cannot guess that process until it is completed.

Hon. Michael H. Dunkley: Mr. Speaker, and that is fine. But in this place we can discuss the business and this is where we ask the questions. So I think that is a fair assessment.

And the Honourable Member over on the other side, says, *Well, I seek to destroy it.*

An Hon. Member: You do.

[Inaudible interjections]

Hon. Michael H. Dunkley: I already said.

The Speaker: Members. Members.

Hon. Michael H. Dunkley: I already said. I hear Honourable Members interpolating. That is what they want

people to believe. No way, Mr. Speaker! And, Mr. Speaker—

[Inaudible interjections]

The Speaker: Members. Members.

Hon. Michael H. Dunkley: I am going to get off-track here a little bit. Because I wasn't going to go there. I was not going to say, *Look what happened when . . .* But, Mr. Speaker, look at the many initiatives that we brought to this House, and when Honourable Members . . . I think the Honourable Member from constituency 29 sat in this seat right here. And he asked questions and he spread information that I certainly did not agree with when I sat over there. But we answered their questions. We worked through it. I thought those questions—

Hon. Zane J. S. De Silva: Point of order, Mr. Speaker.

Hon. Michael H. Dunkley: —were unfair.

The Speaker: Point of order.

POINT OF ORDER

[Misleading]

Hon. Zane J. S. De Silva: The Honourable Member is misleading the House.

I listened very intently when he was referring to me when I sat on that side. And he said, *I spread information*. I can assure that Honourable Member one thing. That when I was on that side, and I spoke . . . and you know how I act, Mr. Speaker. I bring evidence. I do not get up there and spread information. Any time I speak, I speak to information that I table, 99 per cent of the time.

The Speaker: Okay. Thank you, Member.
Continue on.

Hon. Michael H. Dunkley: Mr. Speaker, that was another point of order that had no grounds. The Honourable Member criticised—

The Speaker: Ah! Ah! I will decide that. I will decide that.

Hon. Michael H. Dunkley: —projects. In my view.

In my view, Mr. Speaker, it had no grounds because I listened for one initiative after the other that we brought forward that the Member tried to shoot down. And you know, that's fine. That is his responsibility. And so when I come here and ask questions, I should not expect to be treated any differently than we treated them—to listen and answer those questions. If

they want to come after me personally, that is fine. I will continue to ask those questions.

[Inaudible interjections]

Hon. Michael H. Dunkley: I will continue to ask those questions, Mr. Speaker.

Some Hon. Members: It's not personal.

[Inaudible interjections]

An Hon. Member: You are not that important.

Hon. Michael H. Dunkley: So, Mr. Speaker, I hear all those interpolations—

The Speaker: Members. Members.

Hon. Michael H. Dunkley: —and it must be because they are worried about it so much.

[Inaudible interjections]

The Speaker: Members, just let the Member finish so someone else can get up and speak afterwards.

Hon. Michael H. Dunkley: I hear the Honourable Member say, *Why am I so worried about Arbitrade?* And [another] Member said, *Because I wasn't in on the deal*. Trust me, Government Members, I do not want to be in on the deal. I am on a deal for a better Bermuda. And if any of you are in on the deal, we need to rat it out. In on a deal? Give me a break, man!

The Speaker: Talk to the Chair.

Hon. Michael H. Dunkley: I have never been in on a deal! A deal that is good for Bermuda.
No, because when people talk—

The Speaker: Talk to the Chair. Talk to the Chair.

Hon. Michael H. Dunkley: —trash across the floor, I am going to answer it. I hope there is no deal. I hope there is no deal! That came from that side, Mr. Speaker.

The Speaker: Talk to the Chair.

[Inaudible interjections]

Hon. Michael H. Dunkley: Now, Mr. Speaker, if the deal is for Bermuda, that is good.

The Speaker: Mm-hmm.

Hon. Michael H. Dunkley: That is what I said, Mr. Speaker. Now, the Honourable Member says, *Hiring*

Bermudians. Well, Arbitrade appears to be somewhat of a ghost company to me. Because they have a board of directors, but as of yet we do not know of any substantive employees.

[Inaudible interjections]

Hon. Michael H. Dunkley: Now, Honourable Members, if there are substantive employees, let's see what they are. The board is upper- to middle-aged men that have no crypto experience, which seems strange.

Hon. Wayne L. Furbert: You don't either, why are you speaking?

Hon. Michael H. Dunkley: The Honourable Member from constituency 6—

The Speaker: Just talk to the Chair. You don't have to get sidetracked. Don't get sidetracked.

Hon. Michael H. Dunkley: —says I don't have any crypto experience.

And Mr. Speaker, no, I take that. I am not sidetracked. I take that. You know why, Mr. Speaker? Because I am not sitting on a board of a crypto company.

Honourable Member, from constituency 6, I am not sitting on a board of a crypto company.

An Hon. Member: Oh God.

[Inaudible interjections]

The Speaker: Come on, come on, come on.

Hon. Michael H. Dunkley: Thank you, Mr. Speaker. I guess the point of order has changed.

The Speaker: Come on.

Hon. Michael H. Dunkley: So I will go on with the questions, Mr. Speaker.

What happens to Victoria Hall if the company is not given a licence by the BMA? I asked earlier who purchased the building, and I think it is appropriate to know where the funds came from because . . . are the token being used in . . . are the tokens being used to fund development and [for] operating expenses, Mr. Speaker?

How much money has been raised through these token sales? How much private money has the company raised? How many tokens has the company sold to date?

Hon. Wayne Caines: Mr. Speaker. Mr. Speaker.

[Inaudible interjections]

Hon. Michael H. Dunkley: Mr. Speaker. I ask that that comment be withdrawn.

The Speaker: Wait, wait, wait, wait, wait, wait, wait! Let me address this. Wait, wait, wait, wait.

Hon. Michael H. Dunkley: No, the Honourable Member from constituency 6.

The Speaker: Wait! Wait! Wait! Members! Members! Everybody take your seat. Take your seat! Take your seat!

I have tried to say to each Member that this has two sides to it. If you let the Member finish, the other side that has the information can respond as clear as he put his question out there. However . . . however, the moment everyone keeps interrupting, you keep getting it further and further down the line that we are not getting to an end of this.

And the side conversations that are coming across. . . you need to make sure that they are parliamentary because if they are not parliamentary, the Members expressing it like that are going to find themselves outside of this Chamber.

It is the last day, almost, I do not think anyone wants to spend their Christmas season having known they have been put out of this Chamber by the Speaker. So I ask all Members to respect the decorum which is supposed to be kept in these Chambers. Everyone will have a chance to speak. We are early tonight on the motion to adjourn.

If each of you wants to speak, we have time for each of you to speak tonight, keeping in mind that we would still like to get out pretty reasonably this evening.

[Laughter]

The Speaker: So I am not encouraging you all [that] you have to speak.

Member, you have a few minutes left.

Hon. Wayne Caines: Mr. Speaker, I would like to highlight my point of order.

POINT OF ORDER

Hon. Wayne Caines: My point of order is that the Member is misleading the House.

[Timer beeps]

The Speaker: Okay. The point of order is made.

I took a minute of your time just now, I will allow you one minute.

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

But first, I want that comment by the Member from constituency 6 to be withdrawn.

[Inaudible interjections]

Hon. Michael H. Dunkley: Mr. Speaker, I want that comment withdrawn.

The Speaker: I stated that I wanted proper decorum conducted here. I missed the full comment . . . there was heckling going on back and forth. I do not know how it was totally directed. So I am going to warn any Member, though. I am going to warn any Member. If I catch a comment that is made directly that is inappropriate, it will be dealt with. And that Member will be asked to withdraw or will be put outside of that chain down there.

So, I am going to pass on this one because I missed it. But I am setting the tone right here and now, that as we go through the rest of this night, that is not going to be tolerated.

You have your minute.

Hon. Michael H. Dunkley: I will just take the 30 seconds then, Mr. Speaker, since you have been fair.

So, Mr. Speaker, I will wrap up, since I have been interrupted. I will assure the Government that we, like them, wish Bermuda to succeed for opportunity and jobs for all Bermudians. But, Mr. Speaker, while we were in Government, we worked hard. We made tough decisions to try to progress Bermuda forward. And while we sit in Opposition, we will continue to ask those tough questions to keep our Government focused on what is best for Bermuda. So if they expect us not to ask questions, not to stand up and probe, they have got another thing coming. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I recognise the Honourable Minister De Silva, you are on your feet. Minister.

ARBITRADE

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

Mr. Speaker, you know, the Honourable Member read some excerpts from an email exchange that he and I had.

[Inaudible interjection]

The Speaker: Premier? You got it by that time.

[Laughter]

The Speaker: You got it by that time.

Hon. E. David Burt: I'm sorry.

The Speaker: Continue, Minister.

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

You know, the Honourable Member said . . . he mentioned the word "zero." Quite frankly, Mr. Speaker, I think I am going to make a pact with myself, and I would encourage other colleagues on this side to do it, because that Honourable Member continues on this tirade against this company week after week. It is in the news week after week. And I have a question, and I question the Opposition Leader and everyone that sits beside him, Do you all support this tirade by the former, unelected Premier of the country? Because it seems like he is the only one. And when he talks, you do not see any of his Members in their seats.

[Inaudible interjections]

Hon. Zane J. S. De Silva: Pardon?

[Inaudible interjections]

Hon. Zane J. S. De Silva: Did I what, sir?

An Hon. Member: He is the last speaker.

Hon. Zane J. S. De Silva: I am the last speaker. Yes, sir. Oh, I moved it, so I am the last speaker.

See, my Premier and I have some business to do.

An Hon. Member: Seriously, you are the last?

[Inaudible interjections and general uproar]

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

Let me ask the question again, Mr. Speaker. Let me ask the question. Does everybody in the OBA who sits on that side support this tirade every week and the damning of new businesses that are coming to this Island?

[Inaudible interjections]

Hon. Zane J. S. De Silva: That is the question that I have. And I think that is the question that Bermuda needs to ask that Honourable Member. Week in and week out that is all he does. And the reason that no one wants to talk to him is because they say that the trash he is talking is not worthy of a response. And I think that it is high time on this side that if the Honourable Member wants to get up every week, Mr. Speaker, and talk that kind of nonsense, then I think we just let him go. Because you know what? I think the people of this country are reading it for what it is.

Let me end on this note, Mr. Speaker. One that our Premier . . . I think the phrase that he coined, *They are the past and we are the future*. We are going to not look at the past; we are going to look to the future. And you know what? I want to see if the other

Members of the OBA follow his lead on this one. Thank you, Mr. Speaker.

The Speaker: Members, that brings us to an early close this evening. I thank the Minister for rising so quickly. I know you are used to jumping on your feet early. I know you are used to rising early, so I thank you for continuing in that order.

Members, we stand adjourned until Monday at 10:00 am. We will be in . . . for the benefit of our listening audience, we are having the last sitting on Monday, which the public had expected us to close today, but we are having the last sitting on Monday to deal with a matter that is very time-sensitive in reference to our international relationships, and the House has agreed to come back on Monday to solely do that one matter.

Have a good weekend, Members. We will see you on Monday.

An Hon. Member: You too, Mr. Speaker.

[Gavel]

[At 5:32 pm, the House stood adjourned until 10:00 am, Monday, 17 December 2018.]

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