



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

**8 March 2019**

*Sitting number 13 of the 2018/19*

*Session (pages 871–928)*

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

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**BERMUDA HOUSE OF ASSEMBLY****OFFICIAL HANSARD REPORT****8 MARCH 2019****10:03 AM***Sitting Number 13 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 6 March 2019]***The Speaker:** Members, the Minutes of the 6<sup>th</sup> of March have been circulated.

Are there any corrections or omissions?

There are none. The Minutes will be confirmed as printed.

*[Minutes of 6 March 2019 confirmed]***MESSAGES FROM THE GOVERNOR****The Speaker:** There are none.**ANNOUNCEMENTS BY THE SPEAKER  
OR MEMBER PRESIDING****The Speaker:** There are none this morning.**MESSAGES FROM THE SENATE****The Speaker:** There are none.**PAPERS AND OTHER  
COMMUNICATIONS TO THE HOUSE****The Speaker:** There is one paper to be communicated this morning, in the name of the Minister of Education.

Minister.

**Hon. Diallo V. S. Rabain:** Good morning, Mr. Speaker.**The Speaker:** Good morning.**BERMUDA EDUCATORS COUNCIL  
(EXEMPTION) (2018 TO 2019 SCHOOL YEAR)  
AMENDMENT ORDER 2019****Hon. Diallo V. S. Rabain:** Mr. Speaker, I have the honour to attach and submit for the information of the Honourable House of Assembly the following: Bermuda Educators Council (Exemption) (2018 to 2019 School Year) Amendment Order 2019, made by the Minister responsible for Education, acting on the advice of the Exemption Committee, under sections 5 and 20(3) of the Bermuda Educators Council Act 2002.

Thank you, Mr. Speaker.

**STATEMENTS BY MINISTERS  
AND JUNIOR MINISTERS****The Speaker:** There is one this morning from the Minister of Health.  
Minister.**Hon. Kim N. Wilson:** Thank you, Good morning, Mr. Speaker.**The Speaker:** Good morning.**CHILD CARE OVERSIGHT  
AND REGULATION****Hon. Kim N. Wilson:** Mr. Speaker, today I stand before this Honourable House to provide an update on developments in improving the safety and enhancing the learning space for our infants and toddlers.Mr. Speaker, I rose in November 2017 to announce the publication of our very first set of [Child Care Standards for Bermuda](#). The goal of these standards was to support persons caring for our young children, increase understanding for parents of quality care, and harmonise the work of all government agencies and private entities dedicated to the caring of our children. I am pleased to report that these were updated in 2018 and opened the door for improved oversight of our child care settings.

Mr. Speaker, since the introduction of the standards, the Ministry of Health began the review of our processes and procedures to ensure enforcement of the standards, as well as the Children Act 1998 and

the Day Care Centre Regulations 1999. This is the legislation overseeing specific child care settings.

Last year, Mr. Speaker, we amended the legislation to streamline the regulatory framework, ensuring that the authority over day care and the administration of the day care legislation fell within the Ministry of Health. These small legislative changes make huge steps towards aligning accountability and ensuring enforceability of existing laws. But, Mr. Speaker, the legislation is only as good as the policies, procedures, and manpower put in place to utilise it. Enforcement of this legislation has included, in the past, mainly inspections by our Environmental Health Officers and periodic audits of the personnel in the day care settings.

Mr. Speaker, recognising the importance of our day care settings, we also transferred a project manager to the area to review and ultimately reset the child care oversight system. The presently regulated day care sector comprises only two settings types—day care centres and home day cares. Even so, it is both a sizable and crucial environment for development. It is estimated that 9 out of every 10 children in Bermuda are cared for in a day care setting at some time in their first four years of life. This is indeed a matter that affects us all.

There are more than 45 day care centres and nearly 60 home day care providers in Bermuda. These settings are licensed or registered annually, and this includes an inspection by our environmental health officers to ensure a safe physical environment, including, but not limited to, ensuring that the water is clean, the home or centre has proper play surfacing, and there are appropriate staff for the children in attendance.

Following the inspection, the centre or the provider must also submit an application form and supporting documentation such as a fire certificate, liability insurance, staff applications, educational qualifications, and CPR and other staffing documents.

The volume of information to collect, vet and review is significant and requires knowledgeable staff resources to overview. The current review and reset are helping us to assess the level of dedicated resources that will be needed permanently to provide proper oversight of this sector.

Mr. Speaker, we take the safety and development of our children extremely seriously, which is why we have dedicated our resources to this area. It is also why the Ministry is appealing to our parents to help us. We need to hear parents' concerns about the care of their children. Problems with a day care centre or home will be handled confidentially. While we would like to, we cannot be at every day care centre every day. But as parents, you are. And you can be our eyes and ears every day. Not only should you expect better care, but you can ensure that your home day care providers are registered and the day care centres are licensed by the Ministry of Health. If they

are not registered or a day care centre is not licensed, there will be no way for us to ensure a level of quality in the environment and in the persons caring for your children. Licensed centres and registered home providers are listed on our website at [www.gov.bm](http://www.gov.bm).

Finally, Mr. Speaker, as has been reported in the media, the Ministry has been handling a PATI request to release a number of documents concerning day care centres and home day care providers. It makes sense, of course. Our inspections provide one piece of oversight of settings where our children spend the bulk of their day. We absolutely understand the public's interest in getting the full picture.

But, Mr. Speaker, we need to be clear about the full process to ensure that there is context with the documentation. As mentioned previously, Mr. Speaker, the inspections cover everything from the water, fire certificate, ratios of teachers to children and qualifications of the teachers. It is an enormous job, and the inspectors have to play both a regulatory and a supporting role. During these inspections, the officers use their reports not only to document requirements and shortcomings, but also to make recommendations and note follow-ups required. The inspection documents are not crafted notes; they are points in time at a centre or home, with follow-up sometimes occurring by email or phone.

The point is, Mr. Speaker, inspection forms will often only tell one part of the story and not provide the outcome of the recommendations made. We are constantly working to ensure compliance. Some of the documents that have been requested require us to secure the consent of the affected parties. And we are in the process of writing to the centres and home providers to seek this consent.

Mr. Speaker, unlike a restaurant or hair salon, we cannot just close a day care centre or home day care unless there is an immediate risk to children. Short of this, the impact on working families would be crippling. We constantly have to work with these settings to ensure compliance and best standards. If we were to shut a day care, the reasons must be imminent risk to children's health and safety. This is the same standard used in other jurisdictions. Our parents need the support of their day care, and children need the consistency. We are always striking that balance.

Mr. Speaker, as I said in 2017, our work is never done when it comes to the children of Bermuda. That is why, once we have reset the oversight of our current day care settings, the Ministry will look to regulate other high-risk settings for children such as camps, after- and before-school care, and overnight and weekend care services, as well. It is appropriate for consistency and to assure the best care and oversight for our children to expand the scope of the oversight of child care in this way and to garner resources to perform this function well. We are aware of the issues that may occur in these settings, and for too long

there has been only voluntary compliance with policies.

Mr. Speaker, to finish, the Ministry of Health continues to put our children at the forefront of our work in day care settings. We know that there is much work to be done, and I hope this update can serve as a rallying call to everyone involved in these settings—staff, owners, parents, day care providers—for us all to come together to help raise the standards in the care of our children. Thank you, Mr. Speaker.

**The Speaker:** Thank you, Minister.

There are no further 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 Friday of the month, which is the day that we will hold Premier's Questions on our Order Paper.

Just to give us a few guidelines and remind you of the guidelines, the guidelines for the Premier's Questions are as follows:

- The question to the Premier shall be asked without argument or opinion and shall not address more than one matter of general government policy.
- Members wishing to ask questions should inform the Speaker before the sitting begins. (I have been informed by Members, and I do have a list.)
- The Speaker will compile a list (which I just indicated). And the Speaker will extend courtesy to the Leader of the Opposition to put his question first.
- And, just as a final guideline on that, the Opposition Leader may ask three questions. Other Members may ask one question only. And only Members asking questions may be afforded two supplementary questions.

And remember that the timeline on this is 30 minutes. So, to begin, we will ask the Leader of the Opposition, would you like to put your questions at this point?

### QUESTION 1: MUNICIPAL REFORM (MUNICIPALITIES REFORM ACT 2019)

**Hon. L. Craig Cannonier:** Yes. Good morning to everyone, Bermuda, Mr. Speaker. Thank you for this opportunity and for this opportunity to say thank you to the Premier, as well.

Taking into consideration the municipalities, and I recognise that we do have legislation coming,

but these questions are really posed to the Premier in light of the recent meetings that were had.

Considering the results of the recent meetings held with stakeholders of our corporations, does the Premier feel there may be a need to adjust the approach and measures to making them quangos, considering some of the reflection that has been given thus far?

**The Speaker:** Thank you.  
Premier.

**Hon. E. David Burt:** Good morning, Mr. Speaker.

Mr. Speaker, I thank you very much for the introduction of the rules, and from this perspective, I also want to take this opportunity to wish all of the women of Bermuda a very happy International Women's Day.

*[Desk thumping]*

**Hon. E. David Burt:** Thank you. I see that a lot of Members are wearing purple.

**The Speaker:** Let us answer the question, sir. Let us answer the question.

**Hon. E. David Burt:** I will most happily do so.

Mr. Speaker, in regard to the question which came from the Leader of the Opposition, the feedback that has been taking place throughout this process of the conversion of the corporations to quangos has been robust. But I think what must be remembered is that there was a Statement in this House last year by the Minister who used to have responsibility for the municipalities. There were consultation and town hall meetings, which took place in 2018. There was a pledge to release a consultation document, which was released. There was feedback from that consultation document. There were additional town hall meetings. And then, in there also, there was the Bill that is being tabled and is due to be debated.

So, we believe that we have met the requisite need for consultations throughout this process. But I think what is important, Mr. Speaker, is to remember precisely what the Deputy Premier has stated on numerous occasions, which is that this change is being made in the best interest of Bermuda. Unlike the headlines said today, there is no dissolution of any corporations.

They are transferring to quangos to streamline the decision-making process and to ensure that we can have unified approaches to major infrastructure challenges that this country has.

If we are going to continue to advance, if we are going to have economic development, we cannot have multiple sewage systems, we cannot have multiple water systems, we cannot have all of these items. And although these things may be able to be achieved

underneath the current structure, the real question is, Does it make sense to exist in an inefficient structure, or should you move things to make things more efficient? We believe in efficiency, and we hope, ultimately, that this measure will be supported by Members opposite.

**An Hon. Member:** Hear, hear!

**The Speaker:** Thank you, Premier.

Would you like to put a second question or a supplementary?

**Hon. L. Craig Cannonier:** Supplementary.

**The Speaker:** Supplementary.

### SUPPLEMENTARIES

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

Bearing all of that in mind, can the Premier tell us what he believes to be the difference in concerns between St. George's stakeholders and Hamilton stakeholders? Having been myself to one of those meetings, I recognised that there was a stark difference in concerns.

**The Speaker:** Premier.

**Hon. E. David Burt:** I thank the Honourable Member for his question. I did not attend the St. George's town hall [meeting], and I have not been apprised of the full issues regarding the consultation. But, on a broad level, the fact is that the two corporations are two different corporations. The Corporation of St. George's is a largely residential place, whereas the City of Hamilton has far fewer residential persons and more commercial ratepayers.

So, from that perspective and for that particular structure, I would say that there are differences in the concerns from the particular bodies, based on the fact that they are two different corporations.

But what is most important to recognise is that, although there are two corporations, Mr. Speaker, there is one Municipalities Act. And in that one Municipalities Act, the changes that are being made are to make sure that we can effectively advance the interests of the municipalities to the most effective measure possible.

We are not dissolving any corporations. We are not causing a dissolution. What we are doing is we are changing it to a model which we believe can make sure that the items that need to be done in the national interests can be promoted in a much more efficient fashion.

**The Speaker:** Thank you.

Second question or supplementary?

**Hon. L. Craig Cannonier:** Supplementary.

I appreciate the Premier's short speech on that. I am quite surprised that he is not aware in totality of the concerns of the St. Georgians, knowing that this was pretty much one of the first meetings that was had. Hopefully, he will become apprised of the concerns that they had. I heard them clearly.

So, taking that into consideration, knowing the stark difference between the two responses of the corporations, how will this one piece of legislation then take into consideration those differences, considering that they are quite drastically different?

**The Speaker:** Thank you.

Premier.

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

Mr. Speaker, the legislation before us is the amendments to the Municipalities Act. The question was asked regarding the feedback from the individual corporations.

I told the Honourable Opposition Leader that I did not attend the meeting, but I can assure you that there have been robust discussions from the members inside of my caucus who are the persons who represent there. And they are representing [the] issues of their constituents valiantly.

What I can say is the Government is determined to make the changes which are necessary for the 21<sup>st</sup> century to deliver for the corporations and to make sure that we have a streamlined decision-making process that takes into account the fact that there are national issues at play in these particular instances. There are questions as to what takes place in the Corporation of St. George's. There are questions as to what takes place in the Corporation of Hamilton

But what is really at issue here is, how do we have a model that best advances the interests of those persons, taking into account the national interests? That is what we doing in this particular process. We believe that the Municipalities Act, as it is laid down, accounts for feedback from members in making sure that persons from the community are representing their particular interests, and we are confident that the Government will deliver on that, and not only deliver on changes to the municipality structure, but also ensure that it works better for the residents who are there.

That is the objective. This is about making sure that we can deliver better for them. And that is what the Government will be judged on.

**The Speaker:** Thank you.

Would you like to put your second question now?

## QUESTION 2: LONGER JAIL TERMS FOR SEX OFFENDERS

**Hon. L. Craig Cannonier:** Thank you, Mr. Speaker. Thank you, Premier.

Yes, second question. Considering that we just recently had, I believe it was on Monday, a demonstration, and part of that demonstration had to do with the recent conviction of a paedophile, what were the main messages and concerns—

**An Hon. Member:** That was Friday.

**Hon. L. Craig Cannonier:** Was it Friday? I am sorry. Thank you for the correction—Friday.

What were the main concerns that the demonstrators had?

**The Speaker:** Thank you. Premier.

**Hon. E. David Burt:** Mr. Speaker, I believe that this might be a matter of public record. I think that Ms. Juanae Crockwell, who led it, was speaking about the issues, in their view, of the inadequacy of sentencing and other particular items. So, I think that is a matter for the public record.

**The Speaker:** Supplementary.

### SUPPLEMENTARY

**Hon. L. Craig Cannonier:** Yes. Thank you, Mr. Speaker.

Bearing that in mind then, have any discussions been had since the demonstration or any further thoughts given to the next steps concerning those grave concerns that they had?

**The Speaker:** Premier.

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

Mr. Speaker, a number of my caucus colleagues, and I think even a few Members from the Opposition, went to greet the persons who were gathered at Parliament one week ago. During those conversations . . . and I think I made a statement, or I told persons precisely the issue. And I said that she [Ms. Crockwell] would be meeting with the Attorney General. I can confirm that she did meet with the Attorney General this week. And there is a follow-up meeting that is scheduled on that particular matter with a group of persons so that the Attorney General can further hear the concerns and have any consideration for any additional changes.

However, Mr. Speaker, I have to make it clear at this point in time. This Government is the first Government that has issued public notifications for the

release of sex offenders when they are released from prison.

*[Desk thumping]*

**The Speaker:** Continue on.

**Hon. E. David Burt:** This Government has already delivered, following the Joint Select Committee's report and recommendation, a register of sex offenders. This Government has made changes to the treatment that happens, mandatory treatment inside of prisons, and also mandatory monitoring of persons who are newly convicted. And these are the things of which I expressed to Ms. Juanae Crockwell. Some of those things she was not aware of. But this is an important part of our democracy.

It is important to remember and to understand that we have made upgrades to the regime, following the feedback which came from the Joint Select Committee, which was empanelled by this House, Mr. Speaker. And those changes have been made, and those changes will be in effect going forward. That is something that we have done. We can work collaboratively on these issues. I think, in this entire House, we can agree that our children and our citizens of this country should be protected.

**The Speaker:** Supplementary or new question?

**Hon. L. Craig Cannonier:** No. New question.

**The Speaker:** Okay. This is your last question, your third question.

## QUESTION 3: CHILDREN LINKED TO DEPARTMENT OF CHILD AND FAMILY SERVICES ABUSE NOT INTERVIEWED

**Hon. L. Craig Cannonier:** Yes. Thank you very much. Yes, thank you, Mr. Speaker.

Bearing that in mind, and in the light of the last vein of questions that have just been asked, I am just curious to get an update from the Premier as to why the children who were involved in the latest investigation into abuse within the Child and Family Services Department not interviewed?

**The Speaker:** Premier.

**Hon. E. David Burt:** Thank you, Mr. Speaker. I appreciate the question from the Honourable Opposition Leader.

But, as the Honourable Opposition Leader has been a former Premier, he would know that issues that deal with matters of discipline inside the public service are not within the boundaries of the political representatives here. And those matters are

handled exclusively by the established public service under Public Service Commission Regulations.

**The Speaker:** Thank you.  
Supplementary?

### SUPPLEMENTARIES

**Hon. L. Craig Cannonier:** Yes. Supplementary.  
Is the Premier aware of any other organisations that may be investigating or questioning the children who were involved in this particular situation?

**The Speaker:** Premier.

**Hon. E. David Burt:** Is the question, am I aware of anything else that is going on?

**The Speaker:** Just restate your question.

**Hon. L. Craig Cannonier:** Sure.  
Is the Premier aware of any other organisations, departments, corporations or the like . . . is he aware of anyone else or [any] other institutions that are investigating or questioning the kids involved in this particular abuse situation?

**The Speaker:** Premier.

**Hon. E. David Burt:** Mr. Speaker, at this time, I am not aware. However, I undertake to ask the Attorney General, who has responsibility for the Department of Child and Family Services, and revert to the Minister.

I think that on this one we do not have to particularly play politics. We want to make sure that our children are protected and that our children have the best standards of care. And I am happy to work with the Opposition Leader to get whatever information that he requires.

I may also suggest that this may be something that our newly empanelled oversight committees may have a chance to take a look at, because I think that it is important that what we have in the structures of government, we are making sure that things are held accountable and that we are doing things for the best interests of the citizens of whom we aim to protect.

**The Speaker:** Thank you.  
That brings to a close—

**Hon. L. Craig Cannonier:** Supplementary.

**The Speaker:** Supplementary? Okay.

**Hon. L. Craig Cannonier:** Supplementary.  
I appreciate the Premier's answer in the light of what he just said, playing politics. Certainly, I am not playing any politics with this. This is a serious, se-

rious, serious situation, as we read in the newspaper on a regular basis now that we are coming up with cases like this.

**The Speaker:** Put a question. Put a question to it. Put a question.

**Hon. L. Craig Cannonier:** Yes. I just want to get a commitment from the Premier that he will make this a priority to address the issue, because I am concerned that there may be other cases coming forward.

**The Speaker:** Thank you.  
Premier.

**Hon. E. David Burt:** Mr. Speaker, what I can say is that it is without question a priority for this Government. I will ask the Honourable Attorney General to have a conversation with the Opposition Leader so that he can be fully apprised of the status. As I said, this is not something that needs to have a political divide. I think all of us here are united in what is in the best interests of the children of whom we serve. And I do not want it to become a political back and forth, because it is a very serious issue.

So, I am happy to extend bipartisan cooperation and communication on that, as I think it is particularly important, Mr. Speaker.

**The Speaker:** Thank you.  
That brings us to a close of the Opposition Leader's three questions.

The next Member who has a question would be the Member from constituency 10.

Member Dunkley.

### QUESTION 1: FINTECH MEMORANDUMS OF UNDERSTANDING UPDATE

**Hon. Michael H. Dunkley:** Thank you, Mr. Speaker. Good morning to you, to colleagues, and to those listening today.

Last year, the Honourable Premier made a number of announcements regarding MOUs that this Government had in connection with FinTech. So, the question to the Honourable Premier is: Can the Honourable Premier please update us on the deliverables committed in these MOUs signed last year by Binance, the Medici Ventures, and Shyft? Thank you.

**The Speaker:** Premier.

**Hon. E. David Burt:** Thank you, Mr. Speaker.  
Regarding the issue of the company Binance, it is well known as part of the public record that Binance came to Bermuda with the intention of setting up their global compliance operation. But one of the things that they could not get was banking services. They went to jurisdictions that can provide them bank-

ing services. Since this Government has been able to deliver on banking services, now we have since been in contact with the principals of Binance, and they have re-engaged with their legal counsel here and are moving forward with the application process throughout the Bermuda Monetary Authority. So that is the first issue when it comes to Binance.

On the issue of Medici Ventures, conversations are ongoing with Medici Ventures regarding what operations they will be looking to set up here in Bermuda. Specifically, I had conversations with Dr. Patrick Byrne, who is the CEO. Of course, he is well known to Bermuda, as his brother used to be the Chairman of the Board of Education in Bermuda. And those conversations are advancing.

I think the other one that you asked . . . sorry. You named three?

**Hon. Michael H. Dunkley:** Shyft.

**Hon. E. David Burt:** Shyft. Thank you very much. There was a conference call with the persons of Shyft, I think two days ago, or yesterday, regarding their involvement. As Members would be aware, Shyft signed a joint venture agreement with the local company, Trunomi, to work to pilot Bermuda's e-ID system. I think you would have seen those types of things in the press. That matter is moving forward. They are looking to move those items forward. The Cabinet has approved an item to move forward on that particular issue, and we are awaiting some final confirmations before those things can be advanced.

What I can say, Mr. Speaker, is that there is a fourth MOU that was also signed. That was with the company Omega One, which is a digital asset exchange. Omega One has applied to the Bermuda Monetary Authority for a digital asset business licence and has received an approval for a digital asset business licence. And they are scheduled to be on Island to pick up their digital asset business licence next week and to hold a press conference with the Government.

So, this is excellent news, as things are being progressed, Mr. Speaker.

*[Desk thumping]*

**The Speaker:** Thank you.  
Supplementary?

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

**The Speaker:** Supplementary.

#### SUPPLEMENTARIES

**Hon. Michael H. Dunkley:** I thank the Honourable Premier for the answer.

In regards to the MOU with Binance, the Binance Holdings Limited committed, and it was item number 3. They committed to, through the Binance Foundation's sponsor, university-level training for Bermudians in blockchain technology and compliance in an amount up to \$10 million. Question to the Honourable Premier: How much money has been spent to date?

**The Speaker:** Mr. Premier.

**Hon. E. David Burt:** Mr. Speaker, there has been no money contributed to the FinTech Development Fund. When there is money that is contributed to the FinTech Development Fund, I will be the first one to come to this House to say so.

I think what we have to remember, and I want colleagues to understand, is that these MOUs were signed to make sure that we had a working relationship with companies of whom we are trying to attract and set up a presence and set up jobs in Bermuda. When building a new industry, there are challenges.

In this particular instance, the challenge is the issue of banking. It is something that the Government is working assiduously on to fix. We are making progress in that particular area. As I have told the Honourable Member, we are still in constant communication, not only myself, personally, with the head, as the Minister responsible for Economic Development, in touch with the leadership of Binance. They are still committed to doing [business] in Bermuda once the banking issues are sorted. They are in touch with the new banks of which we have bank relationships with. And we are hopeful that those matters will advance.

I told the Honourable Member that those items are moving, and we look forward to progress in those [instances]. And I would expect and hope that the Honourable Member opposite will support these items as much as he wants to challenge them.

**The Speaker:** Thank you.  
Your second supplementary.

**Hon. Michael H. Dunkley:** Thank you, Mr. Speaker. Colleagues will support good initiatives for Bermuda.

**The Speaker:** Put your question. Put your question.

**Hon. Michael H. Dunkley:** The Honourable Premier referred to the FinTech Development Fund, which is not mentioned in item number 3 of the do-ables by Binance Holdings.

So, I ask the second supplementary to the Honourable Premier. Item number 4 says that Binance Labs will make up to \$5 million available for investments in new Bermuda-based blockchain companies. Is that going to go through the FinTech Development Fund, as well? Or has that started to happen today?

**The Speaker:** Premier.

**Hon. E. David Burt:** Mr. Speaker, I do not believe that those are items that are slated to go through the FinTech Development Fund. I think the FinTech Development Fund is very clear. However, I think that the example of which we can see in other companies where Binance, the largest exchange by volume, now the eighth most valuable cryptocurrency in the world and the infrastructure which they are building, you can see that Binance Labs is doing many things around the world. They are doing things in places of where they can get a banking relationship, Mr. Speaker.

That was our challenge! It is unfortunate that this was a challenge. And it is unfortunate that Bermuda lost out on the opportunity at the early stages because our local banks were unwilling to come to the table to support this level of economic development.

The Government, through revisions to laws, through hard work, specifically of the persons in the FinTech Business Unit and Major [Retired] Wayne Smith have secured banking relationships that we are continuing to work on which will aid in the development of this industry . . . that is something that other countries had that Bermuda did not. It is a shame. It is unfortunate. But we are not going to cry over spilled milk. We are going to make sure that this works.

**The Speaker:** That brings a close to the questions from the Member from constituency 10.

The next Member who indicated that he had a question would be the Member from constituency 31.

You passed?

The next on the list would be the Deputy Premier.

**An Hon. Member:** No, the Deputy Speaker.

**The Speaker:** Deputy Speaker. I am sorry. Deputy Speaker, I am sorry.

**Hon. Derrick V. Burgess, Sr.:** That is fine.

*[Laughter]*

**Hon. Derrick V. Burgess, Sr.:** I certainly do not need that position, Mr. Speaker.

*[Laughter]*

**The Speaker:** Deputy Speaker, would you like to put your question?

#### QUESTION 1: BERMUDIANS WORKING ON CONSTRUCTION OF NEW AIRPORT TERMINAL

**Hon. Derrick V. Burgess, Sr.:** Yes, Mr. Speaker.

Mr. Premier, what percentage of Bermudians are working on the construction of the new air terminal?

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

Mr. Speaker, I think what is important to note is that this Government, when it was elected, was elected on a mandate and a mantra to make sure that we put Bermudians first. And I think that there were a lot of complaints as to the level of persons who may have been on work permits who were at the airport site.

I can confirm that when we assumed Government, there was no existing requirement for the percentage of the hiring of Bermudians in the project agreement. And since the Progressive Labour Party, which has responsibility for the Bermuda Airport Authority, which is now under the able leadership of the Government Whip, who is doing a phenomenal job there at the Bermuda Airport Authority—

*[Desk thumping and inaudible interjections]*

**Hon. E. David Burt:** There is now an existing policy that requires Skyport to commit to having a workforce made up of no less than 65 per cent Bermudians and provide opportunity and employment to *all* Bermudians—and this is what is important—even Bermudians who have a past criminal record, Mr. Speaker.

*[Desk thumping]*

**Hon. E. David Burt:** This is something that we made sure to accomplish. And that, Mr. Speaker, is how you build a better Bermuda while putting Bermudians first.

**The Speaker:** Thank you.

**Hon. Derrick V. Burgess, Sr.:** Thank you.

**The Speaker:** Deputy, any further questions or a supplementary?

**Hon. Derrick V. Burgess, Sr.:** No, thank you.

**The Speaker:** No? We will move on to the next Member.

The next Member on the list is the Member from constituency 19.

Honourable Member, would you like to put your questions?

*[Inaudible]*

**The Speaker:** None? Okay.

The next Member would be the Member from . . . and I do not see him in his seat, [constituency] 9. Okay.

The Deputy Opposition Leader, would you like to put your question?

No? Declined. Okay.

The next Member on the list would be the Honourable Member from constituency 11.

Would you like to put your question?

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

**The Speaker:** Good morning.

**Mr. Christopher Famous:** How are you doing, sir?

**The Speaker:** Good morning.

#### **QUESTION 1: PROGRESS OF WORK BY ENGINEERS AT KING'S WHARF**

**Mr. Christopher Famous:** Mr. Speaker, I am sure that the Honourable Members will have seen the considerable works—I say “considerable” works—at King’s Wharf in Dockyard. Can the Premier confirm that Bermudian engineers are managing that project and it is largely on schedule [for] completion this spring before cruise ship season starts?

**The Speaker:** Mr. Premier.

**Hon. E. David Burt:** Thank you, Mr. Speaker. Mr. Speaker, I thank the Honourable Member from constituency 11 for his question, because we regularly get to hear or read the Honourable Member espouse what it is like to make sure that we celebrate Bermudian excellence in this country. And I think that the entire country can be proud of the Bermuda excellence that is on display, which is taking place at King’s Wharf.

The Honourable Member is correct that there is significant progress that is taking place at King’s Wharf. It is progressing well, and it is a source of considerable pride, not only to the Minister of Public Works, but to this entire Government, that the project is being led by a Bermudian engineer, Carmen Trott. And she is ably assisted by two other Bermudian engineers, including Austin Kenny and Tabia Butterfield, onsite.

While weather will always play an important role in the factors of delivery of such projects, we are very optimistic that the work will be completed in time for this spring and the full swing of the current cruise ship season, Mr. Speaker.

**The Speaker:** Thank you.

Would you like to put a supplementary?

**Mr. Christopher Famous:** No, thank you, Mr. Speaker.

**The Speaker:** Okay. Thank you.

The next Member who has a question for you this morning, Premier, is the Member from constituency 22.

The Honourable Member, would you like to put your question?

#### **QUESTION 1: INVESTIGATION REPORT OF DEPARTMENT OF CHILD AND FAMILY SERVICES**

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

As the House is aware, former Minister Michael Weeks commenced an investigation at DCFS [Department of Child and Family Services] with a report that was due at the end of October of 2018. Has this report been provided to the Premier, and has the Premier seen the report?

**The Speaker:** Premier.

**Hon. E. David Burt:** Reports do not come on these particular instances to political officers. They go, or are handled inside of the public service. So, the answer to your question is no.

**The Speaker:** Supplementary?

#### **SUPPLEMENTARIES**

**Mr. Scott Pearman:** Supplementary.

Is the Premier aware who it is at the Department of Internal Audit who is now carrying out the investigation at DCFS?

**The Speaker:** Premier.

**Hon. E. David Burt:** My assumption would be that it would be the head of the Department of Internal Audit. I believe the public officer’s name is Ms. Roseanne Foy. If it is not specifically her, I will get the specific information for the Honourable Member.

**The Speaker:** Okay.

Second supplementary?

**Mr. Scott Pearman:** Second supplementary and final.

**The Speaker:** Yes.

**Mr. Scott Pearman:** Given the allegations that the complainants at DCFS were not interviewed as part of the report, would the Premier now support a call for an independent lawyer or judge to be appointed to handle this inquiry properly?

**The Speaker:** Premier.

**Hon. E. David Burt:** Mr. Speaker, I would be happy to take that particular item under advisement. I am not prepared at this point in time to make any such com-

mitment on the floor. As I talked to the Honourable Opposition Leader, I will have him have a meeting with the Attorney General on this particular issue. As I said, this is something that I believe that we can work together on.

And I believe that, as this Government has supported the additional oversight powers of this Parliament, I think that it is something that is ideal for the oversight committees to look at. I think that maybe the way that our oversight committees are structured may be broadened so that they can look at particular issues such as this so that Honourable Members and Backbenchers can be involved in these particular issues and handle them. I think that we have adequate energy inside of this House to look at those particular matters, and I think that we can all work together in a collaborative fashion to make sure that the interests of our children and the interests of our citizens, whom we are there to serve, are best protected.

**The Speaker:** Thank you.

That brings a close to your questions, Member.

The next Member who has indicated that she has questions for you, Mr. Premier, is the Member from constituency 20.

Member, would you like to put your questions?

#### QUESTION 1: INTER-ISLAND COMMUNICATIONS CONTRACT

**Ms. Susan E. Jackson:** Good morning, Mr. Speaker, and good morning, Premier.

My question is around a gazetted PATI [Public Access to Information] request that has been published between a contract that was made between the Department of Communication and Inter-Island Communications. I would like to know what the total contract was for the 2018/19 relationship with Inter-Island Communications. The PATI request is showing only a published, itemised list of services. But I would like to know what the total amount was for that.

*[Inaudible interjection]*

**The Speaker:** Premier.

**Hon. E. David Burt:** Mr. Speaker, I do know that Standing Orders are not going to require me to answer a question that requires me to go with full research on such a matter. So, I can certainly undertake specifically to get that particular answer back to the person.

**The Speaker:** To the Member, to the Member.

**Hon. E. David Burt:** What I would say, however, is that . . . to the Honourable Member (sorry, Mr. Speaker)—

**The Speaker:** No problem.

**Hon. E. David Burt:** The Honourable Member is incorrect. It is not a PATI request. It is part of a PATI disclosure. So, there was no request. Contracts that exceed a value of, I think it is \$50,000, have to be gazetted. And so, all things are done in a regular fashion and order.

And I would also like to remind Members that the Public Access to Information Act was the idea of a former Progressive Labour Party Premier. It was put into place under the former Government. It is continuing to provide this type of disclosure. I happen to believe, Mr. Speaker, that disclosure is healthy, and we will continue to make those disclosures to be held accountable for our particular actions.

But what I can say, Mr. Speaker, is that a fee-for-service contract, which was approved and blessed by the Office of Project Management and Procurement . . . and I will be very happy to get the Honourable Member the specifics of which she is requesting. And in her supplementary, if she can be very specific, I will make sure to get those particular answers to her.

**The Speaker:** Thank you.

Supplementary or . . . You are fine?

#### SUPPLEMENTARY

**Ms. Susan E. Jackson:** Yes. My supplementary would be simply be that, yes, I look forward to the total amount of all of the itemised lists of all of the services for the duration of that contract, which, to me, is from 2018 to 2019. Thank you.

**The Speaker:** Thank you. Next time, try to put it in a question.

The next Member, Mr. Premier, who has a question for you is the Member from constituency 8.

Honourable Member, would you still like to put your question?

#### QUESTION 1: SALARY INCREASE FOR CIVIL SERVICE

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

Mr. Premier, the 2018 Budget indicated that the civil service would get a salary increase of 2.5 per cent, retroactive to April 1, 2017. In this year's budget, we say that, and I quote, "Included in . . . operating expenses is the 2.0% salary increase awarded to some public officers."

My question is, Can you differentiate why you have said "some public officers" will get 2 per cent

increase, while others get a 2.5 [per cent] retroactive from last year?

**The Speaker:** Thank you.  
Premier.

**Hon. E. David Burt:** Mr. Speaker, I am a little bit confused by the question. I know that negotiations are taking place between the unions. I know that there was a mandate that was laid down by the Cabinet for a 2 per cent increase. I am not certain, off the top of my head, which unions have accepted that. I know for certain that Bermuda Public Services Union has done so. And so, I cannot speak [with certainty], but I am happy to get the specific answers as to the other unions which have accepted the pay offer of increase, which is under this Government.

However, Mr. Speaker, I must also take the opportunity to remind all persons who are listening—

*[Timer beeps]*

**The Speaker:** Ah! Ah! Premier!

**Hon. E. David Burt:** —that there was *no* increase for public officers—

**The Speaker:** That brings us to a close.

**Hon. E. David Burt:** —under the former Government, Mr. Speaker.

*[Inaudible interjections and desk thumping]*

**The Speaker:** That brings us to a close of the 30 minutes allotted for the Premier's Questions.

## QUESTION PERIOD

**The Speaker:** However, we still have 30 minutes on the clock for any other questions related to the Statement this morning. And, in fact, there is one Member who has indicated that he would like to put a question to the Minister regarding her Statement this morning. And that question is also from the Member from constituency 8.

Member, would you like to put your question?

### QUESTION 1: CHILD CARE OVERSIGHT AND REGULATION

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

Mr. Speaker, I applaud the Minister for the progress that she is making in this space. But I think what we need to also look out for, who are also key stakeholders in this industry, are the teachers and leaders in the schools. I am not certain that they have any representation, Mr. Speaker. It has come to my attention that a number of schools are not paying

teachers' payroll tax, health insurance and social insurance. And I am wondering what can be done to help those teachers in the preschool space?

*[Inaudible interjections]*

**The Speaker:** Minister.

**Hon. Kim N. Wilson:** Yes, Mr. Speaker. And I thank the Honourable Member for his question.

However, the Statement that I read does speak specifically to the standards, the child care standards of Bermuda. And no reference was made with respect to outstanding payroll tax and health insurance tax. So, I believe that, pursuant to the regulations as they relate to Question [Period], that question probably is inappropriate because it does not contain anything that is directly related to the Ministerial Statement that I gave this morning.

**The Speaker:** Thank you.

Would you like to put a supplementary question or a new question?

**Mr. N. H. Cole Simons:** Yes. Supplementary.

**The Speaker:** A new question, because I think that question was off-base. So, just put a new question.

**Mr. N. H. Cole Simons:** Okay. My supplementary . . . okay, new question.

**The Speaker:** New question, yes.

### QUESTION 2: CHILD CARE OVERSIGHT AND REGULATION

**Mr. N. H. Cole Simons:** We have to ensure that our teachers are committed and dedicated to delivery of world-class standards to these young people. And they can ill afford to have actions going on within their classroom settings because they are unhappy with their terms of employment.

Can the Minister [assure us] somehow, when she does an inspection of those schools or when inspection of the schools take place, that we look at those types of circumstances, as well?

**The Speaker:** Minister.

**Hon. Kim N. Wilson:** Mr. Speaker, as I indicated in the Statement, the inspections with respect to the child care centres and the day cares deal with things like fire certificates, liability insurance, staff applications and educational qualifications. It does not relate to payroll and outstanding taxes. Obviously, it is a matter of law that payroll tax and health insurance need to be paid for.

But I guess it is certainly something that we can make inquiries about.

**The Speaker:** Thank you.

Thank you. That brings us to a close of our Question Period this morning. We can move on.

**The Clerk:** Written answers to Parliamentary Questions.

**The Speaker:** The written questions and responses have been carried over until Monday.

## CONGRATULATORY AND/OR OBITUARY SPEECHES

**The Speaker:** I recognise the Minister of Education.

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

Mr. Speaker, I ask that this House send condolences to the family of Henrietta Louise Jones, [mother] of a good friend of mine, Mervyn Grant, who passed away this week.

Mr. Speaker, I did get on my feet because it is with extreme sadness that I have to ask this House to send appropriate condolences, as well as prayers, to the family of Ms. Sakeena Talbot. Ms. Sakeena Talbot, Mr. Speaker, passed away earlier this week at the age of 38, leaving four children, three of whom are my niece and two nephews, ages ranging from 22 to 2. It is a sad day, Mr. Speaker, when you get a phone call to say that someone whom you have known since childhood has passed away at such an early age, and in fact, leaving behind children such as this. And I would just ask that the House collectively send condolences to her family, Mr. Speaker. Thank you.

**The Speaker:** Thank you, Member.

We call on the Government Whip.

Government Whip, would you like to have the floor at this time?

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

I would like for this House to send a letter of congratulations to the Harto Karate School. I have to declare my interest, as that is my home dojo. The Har-

*[Inaudible interjections]*

**Mr. W. Lawrence Scott:** Yes, yes, the Harto dojo. And my sensei is actually the Sergeant-at-Arms here, Sensei Arnold Allen.

*[Desk thumping]*

**Mr. W. Lawrence Scott:** And this weekend, Mr. Speaker, his leadership was, let us say, put to the test, and he passed with flying colours through his

students. They had the Invitational Martial Arts Competition at Pembroke School, Sunday School, on Sunday, March 3<sup>rd</sup>. You had [the following participants]:

- Lucas Frias, age 9, who got second place in fighting and third in kata;
- Jaleiyah Johnson, age 10, second in forms. She went to win the Grand Championship in form, second in fighting;
- Jamaiya Johnson, age 8, second in forms;
- Mataio Cameron, age 9, first in open forms;
- Zamaya Hall, age 5, first in forms unopposed;
- Althea Frays-Sylvia, age 8, third in forms.

And also, one of my instructors and coaches, Sensei Tracy, who is a third-degree Black Belt, and Assistant Harry O; and Instructor Kyoshi Arnold E. Allen. And that is our Sergeant-at-Arms right there.

*[Inaudible interjections and laughter]*

**Mr. W. Lawrence Scott:** But, Mr. Speaker, I would like to also have congratulated the other judges and instructors, who are all local—Charles Butterfield, Princeton Bailey, Garon Wilkinson, John Doherty, Oscar Lightbourne, Bobby Smith, David Simmons, Al Wharton and Arnold E. Allen, once again. I just want to say that I would like to send a pre-letter of congratulations to go to Arnold Allen, who is opening up his own dojo on Cobbs Hill Road. And that will be open every day of the week. So, anybody who would like to come and join, feel free to come and join with us. Because it is helping our young people.

**The Speaker:** Come and join “us,” you said? So, you are part of it as well. You do a little martial arts, too? Do you do a little martial arts, Whip?

**An Hon. Member:** He is the doorman. He is the doorman.

*[Laughter]*

**Mr. W. Lawrence Scott:** That is my home dojo, Mr. Speaker. And that is why I say “us” because we are a family. We do everything together. We work together, we train together. So, once again, a letter of congratulations to the Harto Karate School of St. Lucas. And it is the home of St. Lucas, Mr. Speaker, from which I encourage you to come and take a lesson.

**The Speaker:** Thank you.

*[Inaudible interjections and laughter]*

**The Speaker:** And you including the whole House in those remarks, right?

**Mr. W. Lawrence Scott:** Thank you. Include the whole House.

**The Speaker:** Thank you.

The next Honourable Member who is on his feet is the Honourable Member Commissiong.

Honourable Member, you have the floor.

**Mr. Rolfe Commissiong:** Thank you, Mr. Speaker.

Mr. Speaker, I just wish for the House to send condolences to the family of Ronald Norman Eugene Clarke. Mr. Clarke passed away the other day, and he is [being] buried today. I have been asked to associate Mr. Tyrrell, from constituency 26, with these condolences.

Mr. Clarke was the husband of Ms. Joan Clarke, and they were at Middletown, so they are my constituents. I just want to say that Mr. Clarke, for us who are over a certain age, was a stalwart of the Young Men's Social Club, Bluebirds, as they rose to prominence during the late 1950s–early 1960s period. And he was well known and respected within the sporting fraternity. Thank you.

**The Speaker:** Thank you, Honourable Member.

I now recognise the Honourable Member from St. George's. She jumped up real quick that time.

Honourable Member, you have the floor.

**Mrs. Renee Ming:** Good morning, Mr. Speaker and listening audience.

I was going to say the age was the factor, but I am going to stop there.

**The Speaker:** Well . . .

**Mrs. Renee Ming:** First of all, I would like to congratulate the First Episcopal District African Methodist Episcopal Church on their 133<sup>rd</sup> session of the Annual Conference, which started yesterday at the Southampton Princess Hotel. This is an annual event for the AME churches in Bermuda, and we look forward to what their year of restoration brings for them and this Island.

I would also like to say a very hearty thank you to the women Parliamentarians today, because there was a call for us to acknowledge International Women's Day today. And every woman in the Chamber has on purple, which is the colour for International Women's Day.

*[Desk thumping and inaudible interjections]*

**Mrs. Renee Ming:** There are some men who have worn the purple, as well. (I was not finished speaking.) There are some men who have joined the fight with us women and have worn the purple.

**The Speaker:** I am glad you clarified that piece, because I saw some of these gentlemen in purple, too.

**Mrs. Renee Ming:** Yes. The gentlemen have worn purple, as well. But I just want to say thank you because we recognise that, as women, we are continuing to fight for gender equality, parity, and all of those other things that women fight for. So, the theme this year is [#balanceforbetter](#). And what we are looking for is to do and be better. Thank you, Mr. Speaker.

**The Speaker:** Thank you, Member.

We now recognise the Leader of the Opposition.

Honourable Member, you have the floor. Yes, another St. George's person.

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

Unfortunately, I want to add my sentiments to the passing of Sakeena Talbot, a young woman whom I got to know in business many years ago, who did some work for us in our business. An extremely smart, entrepreneurial young woman. I also had the opportunity of seeing her elder two sons grow up and see them in church, and to also be there when her four-year-old daughter was born, and the blessing. It is truly a real loss to have a young woman like this pass away. So, to her family, we extend our condolences. And I know we said that, as the broader House, we would do that.

**The Speaker:** Yes.

**Hon. L. Craig Cannonier:** On a congratulatory note, I had the opportunity yesterday to spend some time with P4 at Purvis Primary. And I want to congratulate them on the work that they are doing in understanding what it is that we do here in Parliament.

So, I was asked to answer some questions and the like. And so, I want to congratulate and send out a note of support to the teachers, Ms. Butterfield and Ms. Savory, who are doing a fantastic job with this P4 group in getting these young kids, at eight years old, some are nine, to understand exactly what it is that we do in Parliament and to understand the system itself. They were quite knowledgeable, actually. So, we had a great time, and I want to congratulate them on the work and project that they are doing. Thank you, Mr. Speaker.

**The Speaker:** Thank you, Honourable Member.

Does any other Member wish to speak?

I recognise the Honourable Member Tyrrell.

Honourable Member Tyrrell, you have the floor.

**Mr. Neville S. Tyrrell:** Thank you, Mr. Speaker, and good morning, all.

Mr. Speaker, I would ask that this House send a letter of condolences to the family of the late Mr. Calvin Bascome, popularly known as "Nancy" Bascome, who is a friend of the family. He will be sadly

missed by the rest of the family. Certainly by myself, because he and I were members of the Warwick Workmen's Club, and we got to play cards a lot together at that establishment. I would like to associate Honourable Cole Simons, as well. Thank you very much, Mr. Speaker.

**The Speaker:** Thank you, Honourable Member.

Does any other Honourable 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 this Honourable House to send congratulations. And I am sure that all Members of this Chamber would like to be associated with the congratulations to Nikita Evans Robinson on her organisation of World Book Day, which she does at many of the schools and preschools around the Island. Myself and many colleagues have had the opportunity to be invited and to read in the schools with our young children. It is always a very rewarding, fun and interesting time.

Yesterday, I was at the Happy Valley Preschool and got to relive some readings of my younger days through *Jack and the Beanstalk*. And I think the Premier was [there], the Opposition Leader, and a number of people were. So, congratulations to Ms. Robinson on organising a wonderful event, which she does around her birthday.

I would like to take this opportunity, as has been done by the Honourable Member from constituency 1, just to congratulate all of the organisers in Bermuda of the International Day of Women, and for everyone for coming out and supporting it. It certainly is appropriate and brings recognition to some of the opportunities that we still may take advantage of here in Bermuda. Thank you, Mr. Speaker.

**The Speaker:** Thank you, Honourable Member.

I now recognise the Minister of Works.

Honourable Minister, you have the floor.

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

I would like to be associated with the congratulations to the AME Church on the occasion of their 133<sup>rd</sup> Annual Conference. I would also like to congratulate the Honourable Minister of Tourism and Transport, who actually gave the message last night, as a lay person, at the conference, as a member of Vernon Temple AME Church. And I can say, Mr. Speaker, we do not have to have any fear that he will be joining the clergy—

*[Laughter]*

**Lt. Col. Hon. David A. Burch:** Even though he is a “minister,” he will remain as a Minister of the Government, even though he did do an admiral job as a layman.

I would also, Mr. Speaker, like to extend congratulations and ask the House to join me in doing so to the Reverend Dr. Blanche Burchall, the Pastor of Glory Temple in St. David's, a schoolmate of mine, who this weekend will be celebrating her 65<sup>th</sup> birthday. And I wish her the heartiest of congratulations.

Thank you, Mr. Speaker.

**The Speaker:** Yes. Thank you, Honourable Member.

Does any other Member wish to speak?

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

**Hon. Lovitta F. Foggo:** Thank you, Mr. Speaker.

Mr. Speaker, firstly, I would like to give condolences for Mr. Laroy Trott, who was a constituent of mine, and suffered many, many years from illness. I would like to associate MP Renee Ming with these remarks. I would also like to give condolences for Mrs. Barnard, a St. Georgian woman—a very unassuming, very quiet lady, but nonetheless made her mark in St. George's. She will be missed dearly by her family, the Ming family, as well as the Barnard family.

On a happier note, Mr. Speaker, I would like to give congratulations to Mr. Nathan Trott. Mr. Nathan Trott—I would like to associate—

*[Inaudible interjection]*

**The Speaker:** Associate yourself, yes.

**Hon. Lovitta F. Foggo:** Excuse me?

**The Speaker:** They said that it was done.

**Hon. Lovitta F. Foggo:** Okay. I would like to associate myself with the remarks for Nathan Trott. I was not here to give remarks on Wednesday past. Mr. Trott signed a new deal with West Ham United. And he will be with that club until 2022.

*[Inaudible interjections]*

**Hon. Lovitta F. Foggo:** Mr. Nathan Trott has signed a new deal, keeping the goalkeeper [position] with the club until the time I stated, which is 2022. The 20-year-old has featured in 12 matches this season for the Irons, playing 10 times in the Premier League, too, and twice in the Checktrade Trophy.

The Bermudian-born shot-stopper first joined West Ham in January 2016 on the recommendation of the former Hammer, Clyde Best, and has regularly trained with the first team this current season. So, Mr. Speaker, kudos to him.

That speaks well of our football that is going on in Bermuda. And in spite of the fact that we do not have the type of money that gets put into football that other countries do, we still have a lot of very talented people here in Bermuda. And Nathan is one who, along with others, is speaking to that talent.

Thank you, Mr. Speaker.

**The Speaker:** Thank you, Minister.

No other Member?

The Member from constituency 11 (I almost missed you that time), you have the floor.

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

**The Speaker:** Good morning.

**Mr. Christopher Famous:** I want to firstly, on behalf of MP Tinee Furbert and myself, thank the class of P6, Williams and Ming, who invited us down to Harrington Sound Primary School to explain . . . we thought we were going there to explain how legislation was passed. And we found out we had no blank to fill in. These children knew everything.

**The Speaker:** You learnt a few things from them, eh?

**Mr. Christopher Famous:** Yes, we did.

**The Speaker:** Good.

**Mr. Christopher Famous:** We got to speak to them about the need for gender equality in politics, because they knew the number of MPs and the number of women to men. And they said, *Oh, we need more women in politics.*

On a sadder note, Mr. Speaker, I would like to give condolences to the Benjamin family of Loyal Hill, on the passing of Mr. Roderick Benjamin.

**The Clerk:** It was done.

**The Speaker:** You can associate yourself with that. That was done earlier.

**Mr. Christopher Famous:** Oh, sorry.

**The Speaker:** Yes.

**Mr. Christopher Famous:** And Mr. Wolfe, of Cedar Park. Some people would know him as "Scuffler." He was a (how can I say?) very vivid character in town. And, unfortunately, he passed away.

**The Speaker:** Yes.

**Mr. Christopher Famous:** So, I just want to give condolences to those families.

**The Speaker:** I will be added to that one, too. I know the family well.

**Mr. Christopher Famous:** Thank you. All right.

**The Speaker:** Thank you.

Does any other Member wish to speak?  
Premier.

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

Mr. Speaker, I am sure that I am late. So, I will ask just for myself to be associated to rise today and echo the sentiments of my colleagues to recognise International Women's Day. As was stated by the Honourable Member from constituency 2, this year's theme is "Balance for Better." And each day, thousands of women in Bermuda work hard maintaining the fabric of our community. They are our mothers, our sisters, our daughters, and our aunts. They are our teachers, our counsellors, our leaders, our mentors, and our friends. And today, we celebrate the life that the women of this country bring to our nation. And thank them for the hard, unwavering investment that they have made and continue to make for Bermuda. And I will say, Mr. Speaker, that I know that I will be joined by a number of Members of this House to commemorate International Women's Day this lunchtime at the steps of City Hall.

**The Speaker:** Thank you.

That brings us to a close of the condolences and congratulations. We will move on.

## MATTERS OF PRIVILEGE

**The Speaker:** There are none.

## PERSONAL EXPLANATIONS

**The Speaker:** There are none.

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

**The Speaker:** There are none.

## INTRODUCTION OF BILLS

### GOVERNMENT BILLS

**The Speaker:** There are two Government Bills to be introduced today. And I believe that they are both in the name of the Minister of Finance.  
Minister.

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

**The Speaker:** Good morning.

## FIRST READINGS

### PAYROLL TAX AMENDMENT ACT 2019

### STAMP DUTIES AMENDMENT ACT 2019

**Hon. Curtis L. Dickinson:** I am introducing the following Bill, which according to section 36(3) of the Bermuda Constitution, requires the Governor's recommendation, so that it may be placed on the Order Paper for the next day of meeting: the Payroll Tax Amendment Act 2019.

Mr. Speaker, I am also introducing the following Bill, which according to section 36(3) of the Bermuda Constitution, requires the Governor's recommendation, so that it may be placed on the Order Paper for the next day of meeting: Stamp Duties Amendment Act 2019.

**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:** And again, for our listening public, we are here today to continue the Budget Debate, to discuss in Committee of Supply the Estimates of Revenue and Expenditure for the year 2019/20. And this morning, the first Ministry up to be debated is that of Home Affairs.

I would like to acknowledge the Chairperson, Mr. Simons. Will you take the Chair? And we can proceed with the Budget Debate. I believe this morning there is a two-hour allotment. And then, this afternoon there is a six-hour allotment for the second [Ministry] today, which is that of Transport.

But, Mr. Simons, take the Chair. Thank you.

**House in Committee at 11:07 am**

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

## COMMITTEE OF SUPPLY

### ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

[Continuation thereof]

**The Chairman:** Good morning. At this time, we would like to resume in the Committee of Supply. Today we are debating for two hours the Department of Energy, Head 89, and this debate will conclude at . . . we will have a break at 12:30 and continue after lunch for a short period of time.

I now recognise the Deputy Premier, the Honourable Walter Roban.

## MINISTRY OF HOME AFFAIRS

### HEAD 89—DEPARTMENT OF ENERGY

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

I am moving Head 89, Energy, now to be taken under consideration.

Mr. Chairman, I am pleased to present the Budget Head 89, the Department of Energy, found on pages B-24 through B-27, and pages C-7 and C-15 of the Approved Estimates of Revenue and Expenditure.

The department's mission, Mr. Chairman, is summed up in a simple sentence: *We develop public policy, public utility policy and legislation, which enables secure energy, electronic communications and broadcasting platforms for Bermuda.*

The subtle difference from that which was published last year is that the Department of Energy has now assumed responsibility for the Telecommunications Department, formerly Head 46. And with that comes additional duties that need to be incorporated. Formal changes to the department are ongoing. But for now, this statement expresses the breadth of its responsibilities.

Although this mission seems concise, the functions are many, ranging from public outreach, education and engagement, to the research and development of more sites for renewable energy, and reform of the long-neglected industry sectors like broadcasting.

Mr. Chairman, the total current expenditure of Head 89 is estimated to be \$880,000 and represents an increase of 12 per cent, or \$97,000, over the last year's figures. This is due primarily to the addition of one member of staff to the department's salary budget, from the former Department of Telecommunications. Operating budgets have remained exactly the same as those of the preceding year.

Mr. Chairman, Advertising and Promotion, found on page B-325, on line 5, is allocated \$50,000, which is used to host events such as the Energy Summit and to fund public information campaigns

around energy issues, such as conservation and efficiency, and solar energy, to name a few.

Mr. Chairman, page B-325, line 6, shows the allocation for Professional Services, which includes consultant services, and has been allocated a total of \$335,000. Consultants are hired where there is no in-house expertise. Last year's consultants were hired to support the ongoing negotiations and administration of the 6-megawatt solar development; the development of the fuels policy, which was approved in September 2018; and for the work towards broadcasting reform.

Mr. Chairman, the manpower estimates for the Ministry Headquarters, as outlined on page B-25, are four full-time posts. This is an increase from three, from the previous fiscal year. And the Department of Energy is in the process of combining its functions with those of the former Department of Telecommunications. This additional position is for one telecommunications officer.

### Output Measures

**Hon. Walter H. Roban:** The output measures for the Department of Energy are found on pages B-326 and B-327 of the Approved Estimates of Revenue and Expenditure. I will now detail some of those measures and their outcomes.

Mr. Chairman, the development of policy and legislation of fuels is part of a larger project that the department is undertaking, namely, to review and revise existing legislation governing the Regulatory Authority and how it functions; and how best to improve those functions for an agile, responsive, streamlined and efficient regulatory environment. To ensure that any new legislation achieves these goals, it makes sense to develop framing legislation around the fuel sector in tandem with the work, rather than compounding any issues that currently exist.

Mr. Chairman, another project in tandem to the review and amendment of existing regulatory legislation is completion of broadcasting reforms. Over this past year, a great deal of work has been done on examining possible policy changes. What is apparent is that technology has moved on and continues to progress at a pace that the current policies have not kept up with.

Any new policies must be future-proofed, as much as possible, so that the goals of accessibility, quality, opportunity for Bermudian content providers and the like are preserved, while allowing for technological advances, like streaming and over-the-top service. Consulting services have been employed from time to time to help address this project.

Mr. Chairman, public outreach and education through our energy matters remain a priority. In this day and age, where there are many sources of information online, it is difficult to parse good information from that which is spurious and promotes fear, distrust and concern. The department aims to promote the

dissemination of good, reliable, accurate information to better enable the public to be in control of their energy use and expenditure.

Mr. Chairman, the department has also been representing Government in overseeing the development of the solar PV [photovoltaic] project at the old munitions' pier, commonly known as the Finger, adjacent to the L. F. Wade International Airport. While the capital budget for this work is outlined under the section found on page C-7, it bears mentioning that the additional resource for this project, namely, its management, has been handled largely in-house by the department's expertise.

This is a body of work quite separate from the trucking, hauling, and cutting of vegetation, and demands due diligence and time on the part of the department's personnel. From time to time, it has been necessary to consult other experts, and part of the budget for consultants has been used in this area.

### Revenue

**Hon. Walter H. Roban:** Mr. Chairman, the revenue summary for the Department of Energy can be found on page B-325. These figures represent the Government's authorisation fees in the electronic communications sector and the new fees for those holding licences in the electricity sector. Telecommunications is expected to take in approximately \$15 million by the end of the fiscal year. And the newly licensed electricity sector will earn approximately \$200,000 in revenue. Spectrum band fees are anticipated to earn approximately \$2,480,000.

In total, with various commercial fees and mass media fees, the department revenue is projected to be about \$17,885,000.

### Capital Expenditures

**Hon. Walter H. Roban:** Mr. Chairman, the capital development expenditure for the Department of Energy is found on page C-7 of the Approved Estimates of Revenue and Expenditure. This amount, \$200,000, represents part of the Government's obligation to provide a site that is ready to develop the upcoming 6-megawatt solar photovoltaic project at the old munitions' pier, the Finger, at the L. F. Wade International Airport. This site had for years been used as a catch-all area for all manner of items, from asphalt screenings from the last resurfacing work of the runways, to old fuel tanks. And as a neglected area, the vegetation became quite overgrown.

The work of installing the panels is scheduled to commence within the next few months. And this will be Bermuda's first utility-scale renewable energy installation, which will benefit all ratepayers in the stabilisation and possible reduction of energy costs.

### Capital Acquisitions

**Hon. Walter H. Roban:** Mr. Chairman, the capital acquisitions budget for the Department of Energy is captured on page C-15 of the Budget Book, under business unit 76689. The estimate for fiscal year 2019/20 is \$250,000 and is to be used to fund the solar rebate initiative and other initiatives that increase the uptake of energy efficiency technology, Mr. Chairman, an initiative beginning soon. Also coming out of the budget is the LED exchange programme. Details are being designed, and the concept is that members of the public will be able to exchange an old incandescent bulb with an energy-efficient LED, and learn about the benefits of making the switch from energy-efficient to more energy-efficient technology. This is an exciting venture because we are partnering with local vendors to implement this programme. We will be announcing the start of the programme and the participating vendors very soon.

*[Inaudible interjection]*

*[Desk thumping]*

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

### Major Achievements

**Hon. Walter H. Roban:** Now onto major achievements, Mr. Chairman. The rebate programme launched in October 2018 is designed to better support those at the lower end of the economic scale. Rather than a simple reboot of the previous rebate initiative on solar thermal and solar photovoltaic installations, this round of rebates favours those who might not otherwise make the investment in solar technologies. And so, those owning homes with a lower ARV (annual rental value) can receive up to \$8,000 back when they invest in solar PV. The rebate benefit decreases as annual rental value increases so that residential-scale solar development in general is still encouraged, but rewarded less for those in larger high-value homes. To date, there have been a total of 22 kilowatts installed, using this programme. There are currently applications that are pending that represent a further 90 kilowatts.

Mr. Chairman, recognising that the rebate programme still does not address the plight of those who are struggling to make ends meet, the department has begun a tripartite partnership with the Ministry of Public Works and the Bermuda Housing Corporation [BHC], using some of the funds in this capital budget. Our partners are in the process of installing energy-efficient technologies that are funded out of the same budget, such as LED light fixtures and timers to water heaters, in the homes of senior citizens who are BHC clients, bringing relief to those who are in the greatest need.

Throughout the coming year, the department and its partners will continue to work toward identifying and assisting those in need, to move towards greater energy independence.

Mr. Chairman, in November of 2018, the department hosted an energy summit, in observance of CARICOM's Energy Month. The keynote speaker was the former Prime Minister of Aruba, Mike Eman, who gave an inspiring address about his leadership in Aruba's progress toward energy independence. The theme of the summit was "Toward a Resilient Bermuda," with Bermudian and regional experts giving their perspectives on this timely and relevant subject. Among the panellists was Ms. Denaye Hinds, a Bermudian, who led a discussion on sustainability and the built environment; Mr. Wayne Smith, who moderated the panel on blockchain and its applications in the energy sector; and the department's own acting policy analyst, Mr. Aran McKittrick, who chaired a panel on the 6-megawatt solar PV development adjacent to the L. F. Wade International Airport.

Invited from overseas was Mr. J. Paul Morgan, the *godfather* of utility regulation in the Caribbean; Ms. Kathleen Riviere-Smith, from the Organization of Caribbean Utility Regulators; Mr. Greig Paul, one of the world's leading blockchain experts, from the University of Strathclyde—

**The Chairman:** Honourable Member, can you guide me to which line you are speaking to, please?

**Hon. Walter H. Roban:** I am speaking to "Major Achievements" of the department, Mr. Chairman. If you would just allow me to identify it in the Budget Book.

*[Pause]*

**Hon. Walter H. Roban:** Do you still need further clarification, Mr. Chairman?

**The Chairman:** No. You are fine.

**Hon. Walter H. Roban:** All right. Thank you, Mr. Chairman. I will continue.

The event was a success, bringing insight and knowledge to a diverse group of attendees, ranging from prospective participants in the energy sector, the local renewable energy industry, government officials, local engineers, and students from the Bermuda College.

Mr. Chairman, the department worked to help develop the national fuels policy, which was approved by the Government in August of 2018. Among the matters addressed were fuel quality, safety standards, critical infrastructure, and encouraging the use of lower-carbon fuels in Bermuda.

The fuels policy contemplates a framework to ensure that the needs of the customer continue to be

met with expectations set and enshrined in licensure and regulations. And I can certainly state here, Mr. Chairman, that the goal for Bermuda for this Government is to have a low carbon future. And the fuels policy, we believe, helps to bring that about. That will be good for Bermuda and good for everybody. Low carbon to zero carbon—as close as we can get to zero, we are looking to get.

**The Chairman:** You have my support there.

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

Mr. Chairman, the department has worked to find ways to work within its budget and resources by leveraging relationships built through the attendance at conferences and symposia overseas. In October 2018, a Memorandum of Understanding was signed with the Rocky Mountain Institute to assist the department in accomplishing two main pieces of work. One was to help determine the best way forward to electrify our bus fleet, which is obviously the responsibility of the Ministry of Transport now. But then it was a responsibility that I had. And the other was to help identify other potential sites for renewable energy developments around Bermuda.

The Rocky Mountain Institute, or RMI, is an independent non-partisan non-profit organisation founded in 1982. In 2014, it merged with the Carbon War Room, founded by Richard Branson as a leading think tank for renewable solutions in the battle of climate change. As part of its mandate, RMI provides a suite of pro bono services to island countries like Bermuda in an effort to ensure that those most affected by climate change are positioned, as best they can be, to adapt. The work that RMI is doing with the department is being carried out in partnership with other internal stakeholders such as the Ministry of Tourism and Transport, and the Ministry for Public Works.

#### Plans for the Upcoming Year

**Hon. Walter H. Roban:** Mr. Chairman, in the upcoming year, the department will develop the legislation required to properly implement the fuels policy, with a sensible implementation plan to ensure its regulation in all aspects and ensure that regulation is carried out by the appropriately equipped agency.

Mr. Chairman, reviews and revisions of the energy White Paper of 2011 will also commence. There will be consultation with the public and, where necessary, consultants engaged to ensure that an updated version of this will be practical, workable and implementable within a reasonable time frame and within existing budgets, wherever possible. This is not to suggest that it will not embrace aspirations. It will, but now in the context of experience and a more established regulatory environment.

Mr. Chairman, the rebate initiative will continue in order to encourage the uptake of solar technolo-

gies with the easiest incentives we can offer—that is, cashback for capacity installed. This noted, the department will continue to work with local businesses to refine and improve our approach so that more solar energy reaches those who can benefit from it the most.

Mr. Chairman, the department will continue its management of the site clearing of the Finger and will maintain its position as a liaison between the solar developer and the Bermuda development. We look forward to having that utility-scale project online and producing clean, affordable, renewable energy for Bermuda well before the end of the upcoming fiscal year.

Mr. Chairman, the department will continue its efforts with the electric vehicle subsector and continue to advocate for more, and find ways to increase the uptake, of these types of vehicles in Bermuda. Rocky Mountain Institute will continue to work with the Department of Energy and the Ministry of Tourism and Transport to explore the feasibility of electrifying Bermuda's bus fleet, while providing advice and guidance on matters affecting electric vehicles for personal transport, as well.

Mr. Chairman, the department will continue to work with RMI to identify opportunities for large-scale solar developments throughout Bermuda and working on ways for including ordinary investors to participate in our renewable future. High net worth investors will continue to provide the backbone of finances for utility-scale projects. But the department is committed to finding ways for Bermudians to be included in the future of renewable energy in Bermuda.

One of the things, Mr. Chairman, that we decided to do after discussions with the Premier and other Ministers is that to make sure, going forward, having had the experience with the solar PV project at the Finger, that any future projects of a commercial nature will have Bermudians first as the principal investors, because there are opportunities there. And we believe that Bermudians should be first in having the opportunity. Even if they partner with overseas persons, they should be the first in line to take advantage of any further utility-scale energy projects, going forward.

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

**Hon. Walter H. Roban:** Mr. Chairman, the department will be focusing more on education and outreach in a more consummate approach, rather than restricting its efforts to the annual Energy Summit alone. The department will still be hosting summits, but it will instead move away from an annual summit to a biennial summit. This will allow resources to be used more judiciously with a better overall effect of reaching more in the community. Measures taken will range from radio talks and advertisements to promotional events, where the public can be more widely engaged in

learning more about energy topics, especially about how they can take more control over their energy costs.

Mr. Chairman, the coming year will also see the completion of broadcasting reform and the promulgation of a new policy for the broadcasting sector. Although this work has gone in fits and starts in the past, the department is committed to completing the transition to a modern efficient broadcasting sector, responsive to the advances in technology.

Mr. Chairman, the Department of Energy also has responsibility for space and satellites. In an effort to find ways to develop Bermuda's space and satellite sector, the department has worked with overseas partners serving in the capacity of an advisory group. The goal is to identify improvements to be made in our policy and our legislation to enable Bermuda to be competitive in the satellite registration and, eventually, licensing, similar to the shipping and aircraft registries, both of which are well established and well regarded.

Mr. Chairman, in closing, I would like to thank the small and dedicated team in the Department of Energy, including Jeane Nikolai, who is the Director who is here in the Chamber; Aran McKittrick; Vanese Flood Gordon; Adrian Dill; and Patricia DeShields, for all of their work, all of their very hard work. We look forward to working together with the public, with local industry and with the Regulatory Authority to support local businesses, lowering local electricity expenditures, attracting inward investment to our utility sectors, thereby helping create opportunity and equity for all Bermudians.

Mr. Chairman, with this overview of the department and its activities, I [invite the] discussion of the budget for Head 89, the Department of Energy.

Thank you.

**The Chairman:** Thank you, Minister Roban.

Is there anyone else who would like to speak to Head 89, the Department of Energy?

I recognise the Deputy Leader of the Opposition. You may proceed.

**Ms. Leah K. Scott:** Thank you, Mr. Chairman.

One of the things I have to say is that I always enjoy being across from the Deputy Premier, because, I do not know whether it is fortunate or unfortunate, but he answers all of my questions before I get up and ask my questions!

*[Laughter]*

**Ms. Leah K. Scott:** So, he has a very good—very good support team.

**Hon. Walter H. Roban:** A point of information. I want to make clear that there is no collusion between me and the Honourable Member. We do have a decent working relationship. But that is about it.

*[Laughter]*

**The Chairman:** Thank you.  
You may proceed.

**Ms. Leah K. Scott:** I think the Deputy Premier might have inherited Bob's crystal ball.

*[Laughter]*

**Hon. Walter H. Roban:** Let me at least declare my interest, if you do not mind, Mr. Chairman. The Honourable Member and I have known each other for many, many years. We go back long before we were in this Chamber together, as acquaintances. So, in a professional way, of course.

**The Chairman:** Thank you.

**Hon. Walter H. Roban:** But I am glad that she regards our relationship as positive in working together.

**The Chairman:** Thank you very much.

Deputy Leader of the Opposition, you may proceed.

**Ms. Leah K. Scott:** Thank you, Mr. Chairman.

I actually just have a few questions. Starting on page B-324, under the Department Objectives, I note that one of the objectives is to continue educating the public on energy matters. We did have the Energy Summit in 2018. Are we looking to have another Energy Summit in 2019? And particularly with the RFPs [Request for Proposal] that have been out to kind of provide some competition to BELCO and find other forms of energy, and educating people about those things, I think that a lot of people hear about clean energy and saving money, but they really do not understand a lot. I myself do not understand all of it and how it works. So, I just wonder what other processes there will be to try to educate people about these things.

Again under Department Objectives, on page B-324, my former colleague, Grant Gibbons, last year spent two hours, I believe, talking about satellites and slots in space. And I am not going to be able to do that. But I am pleased to see that the Minister is continuing to work on commercialising the assigned satellite slots and that they are a potential revenue source. And we do need to be creative in looking at future revenue streams for the Island. So, I am happy to see that.

Forgive me if I am repeating some of the things that you may have already addressed, Minister. On page B-24, under Head 89, cost centre 99000, in 2018/19, it was intended to have work, intensive work on reviewing the Regulatory Act 2011 and the Electricity Act, and work with the Attorney General's Chambers to draft fuel legislation. Where are we with

those legislative amendments? And when will we see them coming forth?

On page B-325, under Professional Services, there was a decrease in 2018/19 of \$105,000. And this represented an increase in capacity for the department and a corresponding reduction in the need for consultants. However, this year, the fees have almost doubled. And I would be interested to know what the reason is for that increase.

On page C-15 . . .

**The Chairman:** Page C-15?

**Ms. Leah K. Scott:** [Page] C-15, yes, cost centre 76689, Energy Rebate. And the Minister actually did talk about this. My question was what the status of the project is. But the allocation was originally \$500,000, and it has gone down to \$200,000. And I would like to know why. I also know that in providing this sort of income support for our seniors and for people who have homes that have lower ARVs, it will reduce their electricity costs. But the up-front cost of having these solar panels can be extremely expensive. And so, how are we going to be able to manage that with people? And can we subsidise that? How are people going to be expected to kind of get these solar panels in place in order to be able to enjoy the benefits [of the reduction]?

Let us see. On page B-324, again, under programme 8901, cost centre 99000, Administration, the Minister did talk about the fuels policy and the framing legislation. And we, I guess, anticipate seeing that proposed legislation, hopefully, before the end of 2019. And I am glad to see that we are going to be able to see that, because it is important that the fuels sector is fairly regulated and that Bermudians can enjoy affordable, sustainable, safe and secure delivery of their fuel. I know I find it really frustrating when I get a BELCO bill, and my BELCO bill is \$80, and then I have a fuel charge for \$950. So, you know, I think it is ridiculous! And I do not know how that can be controlled or addressed. But if it could be, I would like to see that addressed.

And on page B-325, I note that the training budget has increased from one to five. So, I would like to know what kind of training that is. Who is going on the training? Is this ongoing? What kind of things will they be expected to be? Are they conferences? Or, you know, what exactly is the training? And again, on page B-325, under Expenditure Travel, it has also increased from four to ten. So, I would like to know what that increase is for. Generally, the other—

*[Inaudible interjection]*

**Ms. Leah K. Scott:** Travel? Yes, it has gone from four to ten. And just wondering what that comprises and who is doing the traveling? And is it related to—is it an associated cost with the training?

And then, materials and supplies on page B-325, again under expenditure, has increased from two to nine, and I would like to know why that increase and what that increase comprises.

On page B-325, again, under Employee Numbers, I note the position that has been added was for a telecommunications officer. What is their role? Is that a new post, or was it one that had been just an unfunded vacancy, or a funded vacancy that is just being filled? Or was it a totally new created post?

On page B-326, under Performance Measures, the Government was going to facilitate the procurement of an energy management or energy services company to assist with reduction of energy expenditure in government buildings. And that was a new measure for 2018/19. At that point, the original forecast was to have a service provider. That has now been changed so that an in-house energy manager position has been created instead. And I would just like to know the reason for the change. You know, I am happy if we found somebody in Bermuda who is actually able to do the job and we did not have to go outside to have somebody to do it. But I would just like to know the reason why.

And I think those are all of my questions, for now.

*[Pause]*

**Ms. Leah K. Scott:** Yes. Yes. Those are my questions for now, Mr. Chairman.

**The Chairman:** Thank you for your contribution. I now recognise the Opposition Leader.

**Hon. L. Craig Cannonier:** Thank you, Mr. Chairman. I, as well, appreciate the brief that was given, and it was heartening to hear that the goal for Bermuda is a low-carbon future. That is very admirable to hear that we are moving in that direction.

Taking into consideration, as we have already seen in the paper, where we are with looking at buses which are electric, it would be great to hear a little more about maybe some of the other departments that we are already talking to, maybe if the Minister is aware of another particular department that has large numbers of vehicles, whether or not they are actually having ongoing talks with these departments about how to facilitate them to becoming more energy efficient, as well. And maybe not just electrical, but how we can be more efficient, period, with our energy use as far as our vehicles are concerned. And that would be monitoring the miles that they travel, maybe choosing different routes and the like. All of those things, especially when we were looking at trash collection and figuring out whether or not we need to look at different routes that would be more energy efficient, [could be] among those measures.

I guess what I wanted to hear a little more about is whether or not this particular head, the folks within this department, are they actually at the table when there are any internal upgrades being taken? So, if we are going to be upgrading a particular department, or a ministry, is this particular head and the people within this area involved in that to make recommendations as far as how we can be more energy efficient?

I know in the past, recommendations have been made. But I am not sure if those recommendations are actually coming [AUDIO SKIP 01:44:58] this head, who really looked at this stuff on a more microscopic level. And if they are not working within the internal measures of ensuring that all upgrades we make to our physical buildings and the likes, it would be nice to be able to have them in there. So, I just want to know whether or not they were at the table during those times. And I am on page B-324, Mr. Chairman, if you will.

I also, with interest, was listening to, on page B-324, the commercialisation of Bermuda's assigned satellite slots. And it has always been rather interesting. It is one of these areas that Bermudians, for some reason, still do not realise that we have a satellite out there. I am curious as to what are some of the latest successes that we have had, knowing that it is an older satellite? What are some of those recent successes in sales that we might have had concerning the satellite, our satellite that sits out there? And then, I was just curious. On page B-325, under the Employee Numbers, it was mentioned that the position was a telecommunications officer position. I was not sure if I got that correct or not, the actual person, employee, that the title was a telecommunications officer. And the reason that I am asking that question is because, if you turn over to page B-326, and my honourable colleague, Deputy Leader of the Opposition, mentioned it a little here, that there was a switch-over from a service provider to a person. Under the Target Outcome, it says, *By quarter three of 2019/20, we would be hiring an energy manager.* So, is that an actual, extra person whom we are going to be bringing on in quarter three, in addition to the telecommunications officer who is listed here? And if so, it may have been good to reflect there that we are looking at quarter three as well to bring on someone extra.

If you just go up a little further from that performance measure, on page B-326, just above it, it says, *Facilitate the progress of the solar PV project on the Finger at the L. F. Wade International Airport.* And I think that is going to be a huge success. I think we are all really excited about this actually happening. But, under the Performance Measure, where it says "revised," it says, *Sites are taking longer than expected.* If the Honourable Minister could give us some details as to what might be causing the delay in the site-clearing there? I am very familiar, [being] from St. David's down there. I know that site. I used to go out

there when I probably should not have, me and my buddies out in little ponds because the water there, the beaches there were beautiful on that side. I just want to know what might be causing the delay? And obviously, in projects like this here, there are going to be delays. And it would be nice to know so that the public is aware of what those delays might be.

And does that delay, and will that delay . . . I see "target outcome". Is that taking into consideration the target outcome of the projected completion on or before quarter two of 2019/20? Is that taken into consideration with that target? I am assuming so.

**The Chairman:** I now recognise the Honourable Member from constituency 10, former Premier, Michael Dunkley.

**Hon. Michael H. Dunkley:** Thank you, Mr. Chairman. And I thank the Honourable Minister for his brief.

Just a couple of questions, but before I get there, a comment: Obviously, alternative sources of energy are quite important. And this Government and the former Government have been committed to solar. We have seen many initiatives. The Government has had the solar power panel initiative with homeowners. And I just wanted to get an update from the Deputy Premier on that initiative. How long will it go? How successful has it been? And the reason why I say that is because I think the more we talk about alternative uses and a way of gathering energy, I think, the more people will tune into it.

I installed solar on my house about four or five years ago, Mr. Chairman. And I am very surprised, pleasantly surprised at how effective it is even in times when you think we do not have as much sunlight as we normally get, and the days are shorter. In fact, I was just looking on my phone. I can view the power data that are obtained from the sun, on my phone. And in February of this year, my units on my roof, the panels on my roof, generated more power for my household than it did in November, December and January. So, even with the shorter days, fewer days in February, and perhaps some overcast skies, it still worked well.

And so, this is an opportunity I think that we should do everything we can to support. And I am pleased that this Government supports those initiatives because solar energy is there for us most of the year round. It is quite effective in Bermuda. The panels are becoming cheaper and cheaper. And so, I would support the Government in anything they can do. I just look for an update for the people, as they have supported that initiative. And I think it is important that we keep it going.

I will move on from there, slightly, Mr. Chairman. Obviously, with the increased cost of living, there are a number of functions that drive that, [including] the consumables we have to use, the cost of health care, the cost of goods imported to the Island.

But, obviously, it has been a government policy over a number of years to levy a very healthy tax on BELCO and fuel. Is the Government still moving in that direction? Or, Deputy Premier, are there other options that the Government might be considering other than the fuel tax, to allow some reduction in the cost of electricity? Thank you.

**The Chairman:** Thank you, Honourable Member.

Is there anyone else who wishes to make a contribution to the debate in regard to Head 89, the Department of Energy?

I recognise the Deputy Leader of the Opposition.

**Ms. Leah K. Scott:** Thank you, Mr. Chairman.

I have a question regarding the integrated resource plan, and I would assume that it comes under Administration, [cost centre] 99000, on page B-324. I would just like to know what the update is with the integrated resource plan. I know that there were some RFPs that were out. And I just want to know where we are in the process. And I apologise for not knowing what programme it should come under. But I am assuming that it would be Administration.

**The Chairman:** Thank you.

Is there anyone else who would like to speak to Head 89, the Department of Energy?

No. I now recognise the Minister, the Honourable Walter Roban, Deputy Premier.

**Hon. Walter H. Roban:** Thank you very much, Mr. Chairman. And I appreciate the questions that have been posed by Members, as part of the debate. I am happy to provide answers to them. Anything I do not have, I undertake to provide them with in due course.

One of the major questions that came up was about education. And that was posed by the Honourable Deputy Opposition Leader. And on page 15 of my brief, I discussed that. And I will just go back and repeat what I actually stated, that the department is focusing more on education, which is why we have decided that we will not necessarily have the Energy Summit every year. You did ask about whether we were going to move from an annual to a [biennial]. So, we are going to spend a lot of time between two years focusing on deploying some of the ideas that the summits have generated and focusing on . . .

And I will just reread what I did, with your permission, Mr. Chairman, "focusing more on education and outreach in a more consummate approach, rather than restricting efforts to the Energy Summit. The department will be hosting summits, but it will instead move away from the annual summit to the format of a biennial summit. This will allow resources to be used more judiciously, with the better overall effect of reaching more of the community. Measures will be taken to launch a range of radio talks, advertisements

and promotional events, where the public can be widely engaged and learn more about energy topics, especially those which can help them bring down their energy costs." So, that is what we are going to be focusing on, as per my [brief] on page 15, in my presentation.

And one of the things we did this year, Mr. Chairman, was that this past year we actually had Lunch & Learn. And people will perhaps remember that those were advertised. That was part of the effort by the department to begin to provide information to the public about what is happening in the energy sector in Bermuda and some of the methods that they can use and what is being done to help them bring down their energy costs. So, it is obvious that there are things that each individual can do to do that.

And so, that is going to be part of the education that we are going to be focused on. The LED programme initiative that we spoke about is a part of that, not just the exchange, but actually in the process of the exchange, we will give people information as to how the LED bulb will help them and how they can make a real difference in their daily energy usage. And frankly, they can see the impact on their bill virtually immediately, within a few billing cycles. Yes, those bulbs are a bit more expensive.

And I will just kind of give a scenario. Let us say an incandescent [bulb] is a dollar. You may find an LED [bulb] is about three dollars. That seems like a lot of money, to some. But you will save that amount of money in the expenditure that you—in the difference over one or two billing cycles. I can almost virtually say that will be the case. And many people who have already invested in LEDs can tell you that.

Not only that. The LEDs, let us just say an incandescent may last 12 months. An LED lasts five years, four or five years. It lasts considerably longer.

**The Chairman:** So, it is a worthwhile investment.

**Hon. Walter H. Roban:** Yes. So, those are some of the interesting things that we are going to make sure that more people in the country understand around energy. And we are going to put more of our judicious resources towards that.

**The Chairman:** Thank you.

I recognise the Deputy Opposition Leader.

**Ms. Leah K. Scott:** Thank you.

Just to ask a question about the Lunch & Learn.

How well attended were they? Only because I attend a lot of "lunch and learns" just in my profession. And I find them to be actually really effective. And so, I want to know how many people attended, and do you think that it had the intended result that you were expecting?

**The Chairman:** Thank you.  
You may proceed.

**Hon. Walter H. Roban:** Mr. Chairman, yes. We had decent attendance. We would have liked to have seen more. But there was decent attendance. We had a lot of industry people come and interact with us, because they seem to be quite enthusiastic about talking to us, having not had perhaps that opportunity in the past. Those who have a keen interest in the industry, as well as members of the public, came.

But we are going to look at other ways in the future of how we can do that, even possibly having similar lunch and learns in government, for government departments. Because government has its own issues, which it would like to see regarding spending less on energy.

**The Chairman:** Maybe for the House of Assembly Members.

**Hon. Walter H. Roban:** Happy to look at that, as well, if we can, Mr. Chairman.

But let me move on and answer some of the questions. Okay. So, I hope to answer some of the questions of the Members opposite.

**The Chairman:** Yes. Minister, you may proceed.

**Hon. Walter H. Roban:** So, I will proceed.

Some of the other questions that came up, Mr. Chairman, have to do with the Regulatory Authority amendments and the fuels policy, and when the amendments to those are going to be deployed. As we said in our brief, those are part of the objectives for this year. There has been work that was already done with looking at the Regulatory Act [RA].

And there is a body of legislation, Mr. Chairman, which deals with regulatory affairs, the RA Act. There is the Electronic Communications Act [EA]. And those are two of the pieces of major legislation, and of course, the broadcasting legislation, as well—but the RA Act and, of course, the Electricity Act. The RA Act and the EA Act were all passed in 2011/12. And the Electricity Act was passed in 2016.

It is very clear from the experience that, I think perhaps of both Governments, but certainly this Government, that there needs to be a thorough review of both of those bodies of legislation, and particularly the regulatory legislation, so that we can continue to shape the Regulatory Authority in its work. The idea of when it was devised, and I certainly admit to having some involvement prior to when the legislation was deployed, but all of that body of legislation, was that we would have a multi-purpose regulator that would be regulating a number of sectors, not just energy, not just telecommunications, but also other areas of regulation, perhaps water or fuel, which is actually an area that they will, hopefully, be taking over responsibility

for, with the appropriate legislation drafted, going forward. So, it would need to be multidisciplinary, not just one sole industry.

So, we need to continue to evolve the legislation and work with the regulator to make sure that they have the appropriate resources, the legislative framework and the capability to do that. So, that project is a part of this year's work for 2019/20. The fuels policy, which was passed last year, the appropriate legislation will also be developed this year on that, as well.

The fuels policy is a public document, so anybody who has not seen it can go onto the government website and look at it. If there is a need to make it . . . I thought it was tabled in the House. If it has not been, I will ensure and commit to making sure that it is. (I believe it was.) It does look to ensure that there is a particular class of fuels that are approved in Bermuda, but also makes sure that the infrastructure that maintains and contains those fuels is safe and is at the highest regulatory standards.

But also, it contemplates that the country's future will depend less on carbon-oriented fuels. Right now, 90-plus per cent of our fuel is developed from carbon-based sources—heavy fuel oil and other forms. We need to be moving forward away from that, as a small country that is exporting millions and hundreds of millions of dollars out of the country in expenditure on fuel. Imagine what that money could do with schools, with health care, with essential services that we need. That money could be kept here and in the pockets of Bermudians, so that they have more.

So, the idea and the vision of the Government in that is to begin to push, from a legislative standpoint, a regulatory standpoint and an educational standpoint, a cleaner future. And the fuels policy is a basis for doing that. We will work with the regulator, which I think anybody who reviews their legislation will see that moving towards a cleaner energy future is actually mandated in the legislation of the Regulatory Authority, as well as in the Electricity Act. So, these are directions that we desire to take. And we do hope we will have support in those steps as we go forward.

Some of the other questions that were posed, Mr. Chairman, were how will persons continue to benefit from the rebate programme that has been deployed? And there was \$500,000 set aside in the last budget for that. And I will go into that a little bit more in detail about the expenditure. But one of the things, Mr. Chairman, that we have tried to make sure of with the rebate programme is that, unlike its original rendition some years ago, it actually helps those who need the help. And this is not to be disparaging against anyone, this comment, or any government, because there were two governments that would have had some oversight of this programme, the previous administration that ended the previous rendition, which is fine. Those who could afford PV installs were the greatest beneficiaries. And that is just how it turned out.

In light of the situation in the country now, where people are struggling to meet energy costs, it was our desire to ensure that the programme focused on the people who could least afford such costly installs.

And I applaud all those in Bermuda who have had the ability to install those photovoltaic systems. It is great that they had the insight and certainly the commitment to clean energy in their personal capacity so that they made that investment. And we hope that those investments pay off for them. Because it means that they are contributing just a bit to lowering the country's carbon footprint and to a cleaner environment.

So we want, in the future, as we have devised with the programme which was the part of a previous Throne Speech commitment, that it would focus on those who need it most, which is why we also partnered with the Bermuda Housing Corporation and the Ministry of Public Works, and even Financial Assistance to identify persons, particularly seniors, within their client base who can benefit from not only solar water heating and also conservation efficiency technologies, which are fairly easily available to ensure that this is the focus of the rebate programme.

And it is our desire to continue that in the best way we can. There will be limited resources, but some of the expenditure has been committed toward that. I will get more precise on the numbers, going forward.

The Honourable Member brought up an issue about the surcharge that is on the electricity bill. Yes, that is something that I think we all have to deal with, because everybody has to be hooked up to BELCO. That is just how the system works. Perhaps there will be changes to that in the future, but that is how the country operates. And all persons who use electricity are confronted with this fuel surcharge. We are looking and we are discussing that being reviewed by the RA. That is within their jurisdiction as the official regulator of the energy sector. So, we have talked about their perhaps doing a remodelling of it, looking at it and seeing if it perhaps needs to be changed. And they will discuss that with the power company.

So, we understand that there are people who—and I have heard many stories about people who say that their fuel surcharge was higher than their actual real expenditure on electricity. So, yes, that is a concern. And perhaps there does need to be a remodelling of it, going forward. And we are discussing that with the RA as they continue their work with overseeing the fuel sector.

The Honourable Members across asked about the issue of an energy manager in government. And there is, I believe on page . . . on the output measures, there was discussion of the procurement of an energy management or energy services company to assist in the reduction of energy expenditure in government buildings. The direction of that has changed. And the Government has decided to have

an energy manager, in-house, rather than hiring an overseas company. But that is a discussion that has been decided at the Cabinet level, but also is now being formulated by working with Public Works and the Energy Department.

It may be—and I am just trying to give Members an insight as to what the direction is on this—possible that this will lie in the Ministry of Public Works, for the obvious reason: They manage the government estate. And any deployment of any energy-efficient measures for the government estate would be done by the Ministry for Public Works. But there is an ongoing discussion around that particular post. But the decision has been to certainly deploy an energy manager. All of the information that we [received] is that if this had been done some time ago, there could have been considerable savings to the government—if there had been a manager.

There is no blame being cast there. It is just that, you know, we all understand what the cost of energy has been for the government. It has been an ongoing government responsibility for all governments. And I believe that there has been a commitment throughout the years to bring down that cost. But the decision is that an energy manager, specifically in government, to deploy measures that will assist with the lowering of energy expenditure of government, is the best way forward. So, that is the work that is going on right now. It has been decided that this is the direction we will go. And certainly, I or the Minister who will be responsible for that position will report back to the House once those things have been put in place.

There was a question about the issue of the clearing of the vegetation down at the solar Finger. There has been some delay in that only because, I think, partially that we were initially going to be partnering with Public Works in that process. But, for different reasons, the decision was made between the Energy Department and the Public Works Ministry, and also with the company, Saturn Power, who is the contractor for building and facilitating energy at the solar Finger, that we would get a local, outside, private contractor to handle that. So, that is why.

But there are other issues that have had to be worked through with the company that has created some delay in the work being done. It is quite a substantial job. I think anybody who drives around that area who [is familiar with it can see that there] is considerable vegetation. And it is going to take quite a bit of work to [remove] it. But we are making sure that the right team is in place. I believe a contractor has been retained. But that work is being done with Saturn Power to coordinate that. But I will seek to get more information on that as I go along.

But I will just go on and continue to answer some of your questions. An issue came up around the IRP, the Integrated Resource Plan, which is a requirement of the Electricity Act. It is a process coordinated by the Regulatory Authority, not by the Gov-

ernment. It is really the RA's process in which they received an IRP from the licensed bulk generator, and [operator of] the transmission and [distribution systems], which is BELCO, with an IRP. So, they have provided an IRP. There has been a process that has been going on with that. There was a period of public consultation that went on. That was actually extended to the end of last year to [allow] more participation. And a number of submissions were made, all of which, I believe, you can find on the website. You can even see the IRP itself on the website of the RA, and see the submissions.

They have had some commercials publicly about the persons who gave, the group who gave their submissions. So, there has been quite a bit of public activity. There was a group who did their own town halls about their energy plan as well. So, there has been quite a bit of activity.

Now it is in the process of the RA itself reviewing and incorporating all that has been received into a submission, their proposal around the IRP. There has been no sight of the Government of that as of yet. That is a matter for the RA. But, clearly, it is a matter of great public interest, and we will make sure that this happens at the appropriate time.

I can expect, and I do not want to commit to a date, because, really, that is the responsibility of the RA. But through our own discussions with them around this, I believe that later this year there will be a public submission of the finalisation of it. Not close to the end of the year, but later, certainly, on the other side of the budget session, it will be closer to being completed by the RA.

I will now go on to answer some other questions. There was a question about training in reference to conferences and symposiums. And most are overseas and specialised training, which are not available locally. So, the travel is to get that training and attending conferences under the areas . . . and training that our people cannot get here. So, that money has been to facilitate training overseas that cannot be received here by our team.

When it comes to the post, a question was asked about the post, the telecommunications officer. That is not an additional new job. That is, we are absorbing the Department of Telecommunications into the Ministry. So, where it sat somewhere else, it is just being absorbed in. So, it is just an additional post, and it is a post that is already in government, where there is an actual person, named Pat DeShields, very capable, who handled, particularly, all the satellite filings and all of the activity in that area, as well as other telecoms matters. That is who is being absorbed into the department.

**Ms. Leah K. Scott:** That is a good segue, because I just want to ask you a question. Do we have any additional spectrum inventory?

**Hon. Walter H. Roban:** Thank you for the question. The matters pertaining to the matters of spectrum are with the Regulatory Authority. That is not a matter that the Government deals with directly. So, the management and overseeing of the availability or issuing of spectrum is within their remit, not within that of the department or in the government.

I think I answered the question about the energy manager already.

Let me see now. When it comes to the solar Finger [project], and some questions may have been raised about investment in that and how that is benefiting the country. Actually, the developer is actively seeking local investors to be involved with them jointly with the project, as well. Even though they have received the contract, they actually have agreed and will work with the Government on, you know, interested parties that desire to invest with them in coming under their project. They are happy to find ways to include local investment with them, jointly, in the project. So, we are very pleased with that.

Even though a Bermudian was not the principal awardee, there is still an opportunity for them to get in. But, as I told you, going forward, with additional commercial renewable projects of a utility or commercial nature, it is the desire of the Government to see Bermudians being exclusively the main investors and the main facilitators. Even if they partner with somebody else, they will be the chief beneficiaries of any commercial-level solar [project].

*[Inaudible interjection]*

**Hon. Walter H. Roban:** Yes, yes. But there are a lot of eager persons now in the energy community who are very keen to see this happen. So, as we develop more information around that, we will be engaging with them. And I look forward to seeing them being the chief investors in certain solar projects, going forward.

I have already answered the question concerning the summit and how we are going to deal with that.

I will give some more information on review of legislation that we discussed about the RA, the EA Act, the ECA Act, and the Electricity Act. Some of the review has been completed, but it continues in the context that now there is a new chief executive of the RA. We are working with them closely. And we have identified many of the challenges. The biggest is the need to maintain transparency while achieving objectives.

Opportunities in the satellite industry. That is a very interesting topic, and it is a topic that I have spent a little bit of my time focusing on since becoming Minister. As the Honourable Opposition Leader did state that Bermuda does have a satellite slot, has had one for many years, and certainly under the previous administration, we did achieve getting a satellite in the

slot. That satellite is actually not owned by Bermuda, but it is owned by a joint venture between two companies. And it is called BermudaSat-1. And the company is—it is a joint venture between SES and a company called EchoStar. And so, they are the ones that have the asset in our satellite slot. We continue to have discussions with them, ongoing, about the future of that.

At the moment, Bermuda is not earning any revenue from that. That would have come from any of the services that were facilitated through the satellite. Going forward, because there has been . . . there were two issues, a few issues that affected that. Some of that had to do with FCC regulation, which we had nothing to do with, which they prohibited non-American satellites from transmitting into North America. Even though our satellite slot is quite strategically placed, there was an ongoing prohibition for it providing services within the United States. It obviously created some challenges for us.

But there have been significant changes in the industry since this process started for Bermuda. And there are other services, other than the DirecTV and all those broadcasting services. There are other commercial services where there are opportunities for Bermuda. One is in the provision of marine services and other types of services. So, it is quite likely that in the near future the operator, if they continue to want to have a satellite in our slot—and that could change, you know, because we could go with somebody else as a country if we decide—but their desire is to what they call move that satellite out of our slot and put in another satellite that can actually be providing those services. Because the market has just changed so much now. So, that is an issue.

So, we are not so concerned about the FCC prohibition anymore, because the other services can be global and be given to anywhere in the world. And there is not a prohibition on the marine and other sort of geographic services, which are becoming much more of a commodity in the satellite industry. We are beginning to look at non-geostationary industry of the commercial industry because there has been an expansion of the commercialisation of the space industry now, away from government to private companies, more private companies that have non-geostationary satellites that are in lower orbits. That is where the new market is that Bermuda is looking to go into.

And we have the assistance of our advisory group to help us with that. And our advisory group is made of up a group of very interesting people. It includes people from Bermuda. It also includes people from institutions like MIT [Massachusetts Institute of Technology]. It includes also persons who have actually set up satellite companies in Bermuda, who are happy to work on giving the Government advice on how Bermuda can become a bigger player in the satellite industry. I am very pleased with the work that has been done so far. We have people from the insurance industry, people from the satellite industry.

We have all types, a mix of people, including, like I said, Bermudians on this advisory group who are actively engaged in things like artificial intelligence and machine learning who are interested in working with us.

And so, we are looking forward to some interesting activity over the next couple of years, as a product of their advice to the Government. So, I hope this answers some of the questions of Members around what we are doing in the satellite area.

Reasons for the increase in professional fees. There is really no increase. We had not used our entire allocation in 2017/18. But the allocation has not changed from 2017/18 to 2019/20.

Energy rebate change, the question was around that. We will not utilise the \$500,000 in one year. The allocation allows us to spread it out over time so that we get much longer . . . even though it was given one year, we have been allowed to spread it out so that we get a longer usage of that money. And perhaps it is also helpful for us so that we did not have to go back to the Finance Minister this year, with his very rigid budget allocations. So, perhaps next year, if we need money because we have not taken any additional money this year, we will have money going forward. Because our desire is to continue to try and advance the rebate programme as a way to advance education and interest in how people can find ways to lower their energy costs. So, we are using the money for a number of ways to advance that.

More information about the process of rebates, so that Members know, the customer applies to participate. The department reviews their application and verifies their ARV. Then, after the application is complete with the Planning Commission, then the department pays after that. So, we help them through the process. They go through the planning process after, obviously, they have been approved by us. And then, we pay the rebate thereafter.

I gave you some information on the fuel surcharge, but I have a little bit more information I can share with you. The fuel charge can be decreased only if the BELCO plant runs more efficiently and if we can move to more efficient and energy-dense fuels. Another factor in our high fuel charges is that, on top of the cost, we have to pay heavily for transport. Our fuel comes from thousands of miles away. Particularly, it comes from the Gulf of Mexico. So, that is quite a bit away for the fuel to come. And that is a natural cost for everything. It costs a lot to get here, as well. And it is also a revenue stream for government, and our taxes that we receive are around \$32 million a year from fuel surcharges.

But I think, if you remember, in the Throne Speech, we did commit to looking at taxes on fuel and to see if any changes in the taxes and how they are deployed can bring down costs. We are still committed to that. That is, obviously, something that the Ministry of Finance is working on. But that is part of the

Throne Speech objective, and we will keep you up to date on the progress on that.

Just a little bit more information on the reasons for the delay in the site clearing. The reason for the delay is that the department is working with the developer, and there were certain compliance issues that had to be met to proceed with the work. The clearing of rubble and the disused fuel tanks—you know, there is a lot of strange equipment out there, and it is not just vegetation. It is, as I have been told—yes, it is not just that, but like fuel tanks and stuff left over from the US base years that has to be handled. And in some cases, it has to be handled very carefully. So, it is more than just people coming out there with machetes and weed-whackers, clearing out trees. It is more than that. If [that is all] it was, we probably would have it done already. Vegetation is left to do, and the developer is finalising the footprint so that that work can continue.

Just some more information on the solar panel initiatives. We can get exact numbers, but we have paid out about eight rebates at varying amounts, for the total of about 22 megawatts, as I stated in my brief, so far. And there are an additional 90 megawatts in the pipeline. We expect to honour those applicants' payments over the next few months.

I think that is most of the answers that I have. I am sure if there are any other questions that Members have, or if I have not answered them, you will repeat them. Thank you, Mr. Chairman.

**The Chairman:** Is there anyone else who would like to speak to Head 89, Department of Energy?

I recognise the former Premier, the Honourable Craig Cannonier.

**Hon. L. Craig Cannonier:** I am the Opposition Leader, man.

Yes. In the vein, and this has been quite interesting and informative, actually. In the vein of page B-324, where the Minister mentioned the goal being a low-carbon future . . . and I will declare my interest. I am in the fuel industry. But I was just curious as to whether or not—there are some exciting things that are happening around energy worldwide. The industry leaders like the Chevrons and the Exxon Mobiles of the world are making some great strides in alternative-type energies, themselves. I was just curious as to whether or not—I know that the department head will allow people to come with new ideas, to them.

But maybe even as a suggestion, has the department head decided to also go to some of these larger interest groups to find out what some of the latest technologies are so that maybe we as a government and an island can take advantage of some of these opportunities, as opposed to just waiting for the private sector?

I know that, for myself, I have been approached many times to put in the electric nodes at

the gas stations I have. And whether or not Government would even consider incentives to allow the local service stations to start putting them in, to encourage people to charge up, free of charge, of course. But maybe find some way of incentivising that, where people, when they come, can spend time with that. So, it is a two-part question there; sorry.

**The Speaker:** I recognise the Honourable Member Jeanne Atherden.

**Hon. Jeanne J. Atherden:** Sorry, Mr. Chairman. I just had one question, too. And this is relating to, I guess if you look at the performance measures. I am mindful of the fact that, on page B-324, it says that the department objective is to provide technical and administrative support to the Broadcasting and Telecommunications Commission. And I know that we have talked a lot about telecommunications, and we have talked a lot about energy. But I just wondered (1) whether there are any performance measures with respect to the broadcasting; and (2) what type of information does the Ministry put out with respect to making the public understand what the Broadcasting Commission does and how it regulates content?

**The Chairman:** Thank you.

Before the Minister answers that question, I would like to put before the House whether they would be interested in going the 23 minutes, because that is all we have left, to about 10 minutes to 1:00. Or, do you wish to break for lunch and come back and do 23 minutes after lunch? It is up to the House.

*[Inaudible interjections]*

**Hon. Walter H. Roban:** Mr. Chairman, can I say? I believe there are Women's Day activities at lunchtime that many Members of this House desire to attend. So, it would be best if we break for lunch. And I am happy to come back and continue answering questions.

**The Chairman:** That is fine.

So, I think you have some questions, Minister, to be answered.

**Hon. Walter H. Roban:** Yes. I am actually quite pleased to hear the comments, Mr. Chairman, of the Honourable Opposition Leader around, obviously he has an interest in the fuel industry, and his comments in relation to the two pieces, one about getting involved with some of the bigger industry players. Because it is very obvious, if you are paying any attention to what is happening globally, that there is more investment by even the big oil companies in renewables. They are putting more money into it. At one point, they pulled their money out. But the momentum has moved so quickly, globally, in that most of the

money going into, and even the jobs being created in the energy industry, new jobs are actually in the renewable side. They are not on the side of the fossil fuels.

**The Chairman:** Yes.

**Hon. Walter H. Roban:** That is where the new growth is going in energy. So, and this is a global trend. Europe has decided that it is moving to electric cars by 2040. And other progressive countries are actually making aggressive targets to move to alternative fuels. So, when it comes to the issue of the fuel, the electric chargers, you note that at the hospital, there are chargers. Actually, the Government has lowered, or I believe it is zero, the duty on the importation of electric charge stations now. And, yes, we would love to discuss with fuel stations, if they desire to install charging at their stations. The Government can discuss an arrangement that will be mutually beneficial. And we are happy to do that.

So, I hope that those two answers are good and that the Rocky Mountain Institute is going to be our guide as to what we decide to do, even how we may interact with the larger fuel companies around the initiatives they are doing, because perhaps there are country-level initiatives that we can look at. Certainly, RUBiS and even Sol have been very supportive in our work around these areas. So, there will be opportunities in the future, which I will certainly make sure I report it to the House.

The other question concerning telecommunications and the Broadcasting Commission, we can make sure that there is more information. Thankfully, the Chairman of the Broadcasting and Telecommunications [Commission] is a Member of this House, the Honourable Michael Scott. And I am sure that he will be happy to spend some time providing further public information as to the work that his Commission has in the area of contact.

**The Chairman:** Honourable Member, I think it is time for lunch.

**Hon. Walter H. Roban:** Yes. Of course.

As I am already standing, Mr. Chairman, I can certainly move that we adjourn for lunch until 2:00 pm.

**The Chairman:** Thank you.

*[Gavel]*

**Proceedings suspended at 12:28 pm**

**Proceedings resumed at 2:02 pm**

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

## COMMITTEE OF SUPPLY

### ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20

#### MINISTRY OF HOME AFFAIRS

##### HEAD 89—DEPARTMENT OF ENERGY

*[Continuation thereof]*

**The Chairman:** Good afternoon, Members.

For the benefit of the public we are continuing with the review of the Department of Energy, Head 89. We have 23 minutes left in the debate.

I now recognise the Minister of [Home Affairs], the Honourable Walter Roban, Deputy Premier.

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

I will kind of finish where I left off, but I am sure if any Honourable Members have questions, I will certainly continue on answering them.

One on the questions that came up . . . it ended, I think, one of the last questions was about telecommunications and I believe I assured the House that with the able chairmanship of the Honourable Michael Scott, of the Telecommunications and Broadcast Commission, that issues around much more public awareness around the work of the Commission and its responsibilities and what it will do in relation to content, he will certainly endeavour to provide greater public information around that. And we will, certainly, the Ministry will make sure that some of that work happens with he and the very able commission that he oversees.

There were also a couple of questions from the Opposition Leader around working with overseas . . . the large players in the industry who are doing more in the area of renewables and also the issue of local service stations possibly installing charging stations to charge electric vehicles. We welcome any interest by the fuel industry to that. At the moment, I believe at the end of either 2017 or 2018 . . . there was an effort to reduce the duty on charging stations. And I think now they are actually zero duty. So, the Government would happily partner with any of our fuel stations that desire to have them installed and, as a way to cultivate interest in the electric vehicle industry by residents, at least they will know that they can go to these stations and charge up for free or fast charge . . . opportunities that they can have, at least to get things going.

Because there is a desire to see, at least from the standpoint . . . and we are speaking still of the energy industry here, Mr. Chairman, it is important that the country begins to make this transition to a cleaner, renewable future. It is a mandate that is outlined in our Throne Speech and it is an aspiration which comes

out of the original 2011 Energy Policy of the Government, which was passed by this House and has certainly influenced what has been done thus far in the area of the energy industry. It was the impetus for the Electricity Act that was passed in 2016. It was the impetus for the rebate programme, originally, and has been restarted. It was the impetus for the Regulatory Authority which is now the regulator of the energy industry.

And it is the desire of the Government to update that particular Energy Policy from 2011 to where we are now. There has been much time, many aspects of things that were aspired to in the Energy Policy have either fallen away in their relevance or have actually come to light—things like battery storage technology, which at that time in 2011 was more conceptual across the world but was something that we thought could work. Now battery storage technology is an actual fixture in most of the energy plans for renewal transition of most countries. BELCO itself has received approval from the RA to install a level of battery storage as they will be receiving energy from the upcoming Finger project when it is completed that will be used to be part of their reserve, their spinning reserve, and they will store that through having the battery capability to allow them to manage their energy storage and usage even better.

But this is something that you have seen worldwide. Places like Puerto Rico, which is recovering from its own climatic hurricane experience . . . there is more work being done there to give them a renewable future. There are island groups, such as in Hawaii, which have become a great example of the effort to go almost fully renewable in the future. And places like Aruba have also made great steps to a cleaner renewable future through the mix of battery technology with cleaner other sources.

Obviously, different islands have different capabilities in this area. We do not have some of the attributes of some of the islands, for instance, in the Caribbean. One being that we only get about four and half hours of full sun during the day, other island jurisdictions that are closer to the equator get more, so that creates an opportunity for them to benefit much more than we do. So, we have to make sure that when it comes to renewables and our energy transition, that we focus on efficiency because we do not have, although the sun is always here, it is not exhaustible in its constantness, or what you call, as a redundancy. It does not stay all the time, like having the current existing platform does, in that power can be just constantly without any interruption, 24 hours a day. The sun does not allow that, not without the use of battery technology and a mix of possible alternatives.

There is also the possibility for, perhaps, Bermuda to take advantage of wind. But that will require further study.

There is also, clearly, our ocean. And there are some technologies in the ocean area, which are developing, which may be available to Bermuda in the future.

So there is a bright future for Bermuda in cleaner renewable [energy], but it is going to take time. Ultimately, for this Government, Mr. Chairman, it is about cost.

**The Chairman:** Yes.

**Hon. Walter H. Roban:** It is about cost to the consumer. And I am not afraid to say this, that for all the lofty plans that some have about renewables and how wonderful they are, if they cannot show this Government—or I think the community—that it is going to bring down the cost, it is a waste of time. It is very nice to have grand plans about going totally solar or totally wind or some other renewable technology that is out there and available, but there is the infrastructure that backs that up, it is having the appropriate grid technology, is the appropriate proper conservation method deployed, but also, if this does not translate to lowering the cost of production and the bill to the ratepayer, it is not going to work for Bermuda.

The main goal right now should be to bring down the cost of energy. So whatever steps we take and endorse—and I am sure there is nobody in this country that does not agree with a cleaner, more efficient energy future, but it has got to help the average person. It has got to, you know, reduce the burden they carry—

**The Chairman:** Mm-hmm.

**Hon. Walter H. Roban:** —of keeping their lights on so they can take care of their families and go about their daily lives.

So that is the commitment that we have, that is the sort of energy policy that we are looking to build, and to build, particularly, an awareness going forward through education, and conservation, and efficiencies and assisting . . . and the Planning Department has been quite—although it is not a subject of our debate—they are fully supportive of the efforts of the Government in their policies with those who desire to make changes to their properties or, you know, include efficiencies and conservation measures in their developments.

Any developer who desires to do things in that area of energy will have a willing partner with the Department of Planning and within the department in doing that if they so desire. They just need to contact the Energy Department and Planning and talk about these issues with them and how they can, perhaps, in a cost-effective way facilitate their development with these sorts of efficiencies. Because some of the technology being brought in can arguably be duty-free, or with some discussions with us we can assist with

making sure that there are some incentives that we might be able to discuss with the Finance Ministry with bringing some dutiable preferences to those technologies that are attached to suitable developments.

So, I will stop there in case there are other questions, Mr. Chairman, on further aspects of my budget presentation.

**The Chairman:** Thank you.

I now recognise the Deputy Opposition Leader.

**Ms. Leah K. Scott:** Thank you, Mr. Chairman.

I do not have any questions, but what I would like to say is thank you, again, to the Minister for the thoroughness of his answers, for his ability to respond to us and not be dismissive.

And I think, Mr. Chairman, if I may, they say that behind every great man is a good woman and the Deputy Premier has three wonderful supports over here. So, I would like to tell them congratulations and thank you, and Happy International Women's Day. And Minister, thank you for your debate.

*[Desk thumping]*

**The Chairman:** Thank you.

Is there anyone else in the Chamber who would like to make a contribution to the debate in regard to Head 89, the Department of Energy?

No.

I recognise the Minister, you may wind up.

**Hon. Walter H. Roban:** Thank you, Mr. Chairman, and thank you for the kind words of the Deputy Opposition Leader.

And again, I would like to also echo her sentiments to the team that I work with—Ms. Jeane Nikolai; the PS of my Ministry, Ms. Rozy Azhar; and all the team, the many people that I work with. I do not come here prepared without them making sure that it happens, so I do appreciate all of their work. And certainly having joined with them since November they have gotten me up to speed on all of the matters pertaining to . . . that are under my responsibility, and their work is very much appreciated.

I do have one answer I would like to share for the benefit of the House and for the listening public about the charging stations. Generally, not as critical for us as in other jurisdictions, modern batteries give you much greater ranges. Because Bermuda is only 22 square miles, actually Bermuda is a great opportunity to begin to deploy more electric vehicles. So, that is why that is not an issue. For other countries, larger countries, having charging stations throughout their jurisdiction is an issue because of the range that is required to travel, but that is not [the case] for Bermuda. And charging stations would only make sense if they are fast charging. And there may be some

regulatory matters to resolve, as well as governing sales of electricity, for example.

And, of course, there may be a requirement as we begin to advance our electricity infrastructure and framework, Mr. Chairman, to having different rate models. Because as we become more diverse with how we produce power—and let me restate, again, this Government's policy is for the diversification of generation—for over 100 years this country has basically relied on one principal generator, and actually, if many people did not know it, the Government is also a licensed generator of power through the Tynes Bay facility.

**The Chairman:** Yes, I am aware of that.

**Hon. Walter H. Roban:** So we are also . . . we have more than one electricity generator in Bermuda and one of them is the Bermuda Government and that is the Tynes Bay facility. And this Government is looking at ways to ensure that even that is used more efficiently in generation and can contribute more as somewhat of a semi-renewable process because all of our waste goes there and they can produce power, which potentially add to . . . it does add to the grid and it does provide a stabilising factor from what BELCO does. And with the addition of the solar Finger that will also continue that process.

But we welcome other opportunities for people to bring projects. And the IRP process which is currently engaged will shape that even further, [providing] additional opportunities for people to discuss generation in Bermuda. Having a diverse grid that might include rooftop solar. . . and diversified rooftop and commercial solar is also what we see in the future happening.

This is going to mean advancement of the infrastructure, it is going to mean considerable investment within the country, it does not necessarily mean the Government coming up with investment, but we can partner with those . . . there is a lot of enthusiasm out there amongst many of our local players in the solar industry to work to bring about this future in Bermuda.

There is commercial value to it, there is job creation that can be involved in it, there is sustainability, [and] it will lower the amount of money going out of the country. In power [generation] there are jobs for young people and others who are interested in [the] technology associated with it—energy installers, energy assessors, electricians, engineers. There are so many opportunities that we can create internally around energy, greater than it is now.

I look forward to that future shaking up Bermuda in the years going forward and the Government intends to move forward with policies that accomplish this.

So, with that having been said, Mr. Chairman, I would like to move . . . unless . . . may I move my head, please?

**The Chairman:** Is there anyone else that would like to speak to Head 89, Department of Energy?

No.

Minister, you may proceed.

**Hon. Walter H. Roban:** Thank you, Mr. Chairman. I move that Head 89 be approved as printed.

**The Chairman:** Approved.

[Gavel]

[Motion carried: The Ministry of Home Affairs, Head 89, was approved and stands part of the Estimates of Revenue and Expenditure for the year 2019/20.]

**The Chairman:** Now that we have concluded the debate on Head 89, the Department of Energy under the Ministry of Home Affairs, we now welcome the contribution from the Minister of Tourism and Transport, the Honourable Zane De Silva.

He will be moving Heads 30, 34 and 35 in the Department of Transportation and the debate will last for six hours.

Honourable Member, you may proceed.

## MINISTRY OF TOURISM AND TRANSPORT

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

Mr. Chairman, I move that Head 30, Marine and Ports; Head 34, Transport Control Department; and Head 35, Public Transportation be now taken under consideration.

**The Chairman:** Yes, you may proceed.

**Hon. Zane J. S. De Silva:** Mr. Chairman, today I am presenting the budget for the Transport Division of the Ministry of Tourism and Transport. The budget appropriation for the entire Ministry totals \$88,496,079 as found on page B-194 of the Estimates of Revenue and Expenditure for the year 2019/20.

The departments which come under the Ministry's Transport Division include: Marine and Ports, Head 30; Transport Control, Head 34; and Public Transportation, Head 35.

### HEAD 30—MARINE AND PORTS SERVICES

**Hon. Zane J. S. De Silva:** I will begin with the Department of Marine and Ports Services as found on pages B-199 through B-203 of the Estimates of Revenue and Expenditure for the year 2019/20.

As stated on page B-199 of the Budget Book, the mission of the Department of Marine and Ports Services is: *To provide the necessary services to ensure the safe operations of international shipping and local craft in Bermuda waters; to contribute to the Bermuda transportation system through operations of the Ferry Service; and to facilitate in marine search and rescue.*

Mr. Chairman, the total current expenditure for the Department of Marine and Ports, Head 30, is estimated to be \$21,278,298, which represents an increase of \$1,181,298 or an increase of approximately 5.8 per cent over the 2018/19 budget. The increase has been funded within the established cash limit through the reduction of the Bermuda Tourism Authority's grant. The additional funding is being primarily put towards the following key areas:

- Diesel—increase in fuel costs.
- Security for the cruise ship terminals—increased cruise ship visits during the shoulder months together with additional cruise ships visiting for the upcoming summer season has increased the cost to secure the cruise ship terminals.
- IMO (International Maritime Organization) instruments.
- Implementation code compliance.
- Mandatory training ahead of the 2020 International Audit.
- Inventory—the consumable and permanent parts and supplies necessary to maintain the entire Marine and Ports fleet of aging vessels.
- Overtime—primarily for the repairs and maintenance due to the age of the fleet.

The Department of Marine and Ports Services expenditures are set out under the following three business units and can be found on page B-199 of the Budget Book:

- Programme 3006—West End/Dockyard: Navigational Aids, cost centre 40040, \$739,907; Tug Service, cost centre 40140, \$1,685,731; Tender Service, cost centre 40210, \$396,862; Dockyard Maintenance, cost centre 40260, \$3,353,977.
- Programme 3007—Central Hamilton: Ferry Services, cost centre 40090, \$7,775,564; Mooring and Boat Registration, cost centre 40150, \$277,260; Administration, cost centre 40220, \$2,567,319.
- Programme 3008—East End/Fort George: Maritime Safety and Security, cost centre 40100, \$2,531,930; and Pilot Service and Off-shore Search and Rescue, cost centre 40180, \$1,949,747.

Revenue is found on page B-200 of the Budget Book. Mr. Chairman, it is anticipated that in 2019/20 the Department of Marine and Ports Services will generate approximately \$5,766,000. This will be attained primarily through fees charged for the provi-

sion of ferry services, tug services, boat haulage, pilot fees, boat moorings, and port dues.

Capital acquisition expenditure for the department, found on page C-12 of the Budget Book, is set at \$276,000 for navigational aids, which represents a decrease of \$74,000, or 21 per cent below the budget of 2018/19. The capital budget for the Vessel Traffic Management Information Systems is set at \$200,000, or 55 per cent below the 2018/19 budget of \$450,000.

Manpower. The department's full-time equivalents (FTEs), found on page B-201 of the Budget Book, have increased from 159 to 161. Despite the additional FTEs, the manpower budget for the department remains the same as the additional posts were already fully funded. There are five fully funded vacant positions which the department will seek to fill within the next six months. Compensation, not including overtime, is estimated at \$10,932,545, or 51.7 per cent of the department's budget.

The department's performance measures, found on pages B-202 to B-203 of the Budget Book, remain positive and in line with the international standards. Maintaining these levels is becoming increasingly challenging with a rapidly ageing fleet. Nonetheless, the department continues to work diligently to manage these processes and to ensure the delivery of a safe and reliable service.

Mr. Chairman, the Department of Marine and Ports Services represents one of the most critical operational arms of the Government of Bermuda as it facilitates the movement of vital shipping commerce in and out of Bermuda's ports. During the fiscal year 2018/19, there was a total of 965 international ship movements in Bermuda waters. The services the department provides include: pilot boat (search and rescue), tug boat and tender services, harbour radio, vessel traffic, radar and surveillance. Further to that, the department is responsible for the coordination of international search and rescue operations in this region of the Atlantic and retains oversight of Overseas Seaport Security in compliance with international standards.

During the 2018/19 fiscal year, the department responded to over 461 search and rescue cases, assisting both ships and aircraft locally and internationally.

Mr. Chairman, the Sea Express Ferry Service, another service provided by the department, represents a comfortable and efficient means of public transport supporting the local Bermuda and visitor markets. The dedicated team from the Department of Marine and Ports continued to execute a well-thought-out transportation plan contributing to the success of transporting thousands of cruise ship passengers arriving at our Dockyard port while, at the same time, providing regular ferry service for the commuting public in accordance with the established schedule.

The Boats and Mooring Section is located at the old Paget Post Office Building and is expected to remain at this location for the foreseeable future. The locale has proven to be an ideal, user-friendly location based on feedback received from the general public.

Mr. Chairman, the 2019 cruise ship season will see an additional 23 cruise ship calls to Bermuda, representing a 13 per cent increase over the 2018 season. This will result in higher revenues associated with cruise ship taxation for the Government of Bermuda.

To address the lift needed the department continues to operate six high-speed catamaran ferries, three harbour ferries and one slow-speed ferry.

Passenger load studies will continue in 2019/20 to ensure more fuel-efficient ferries are deployed on selected routes. Fuel savings were accomplished last year with the deployment of the fuel-efficient 750-passenger ferry carrying cruise ship passengers on the Dockyard to Hamilton route (the Blue Route) during peak hours. This decision was based on data collected from the previous studies, resulting in a reduction in fuel costs to this route.

Additionally, Mr. Chairman, to accommodate the longer cruise season, the department will extend the summer ferry schedule until the 3<sup>rd</sup> of November, plus provide a supplemental ferry service after that date on days when cruise ships are in port in Dockyard.

The Department of Marine and Ports continues to work towards the IMO, the Instrument Implementation Code, (also known as the ILL Code) review, addressing all gaps identified by the UK Maritime and Coastguard Agency (also known as the MCA) including supporting legislation for both the port and coastal states ahead of the upcoming 2020 audit.

Output measures, Mr. Chairman. The target outcomes for Marine and Ports Operations for the 2019/20 year are: to continue delivering the required marine service in a timely and professional manner to ensure customer satisfaction. This will include providing additional passenger lift on the Dockyard to Hamilton and the Dockyard to St. George's routes to meet passenger demands during the summer season and also the shoulder season. Passenger statistics collected on both routes suggest the vessel on the Dockyard to St. George's route is running at an average of 70 per cent capacity, and with the deployment of the larger and more fuel-efficient ferry on the Dockyard to Hamilton route it is operating at an average of 50 per cent. The information indicates room for passenger growth on both of these routes.

Mr. Chairman, major policy changes will be implemented based on the United Kingdom's Maritime and Coastguard Agency's gap analysis, undertaken ahead of the upcoming International Maritime Organization's audit in 2020. These areas of change will include oil pollution control, ferry operations, and off-

shore search and rescue, along with other areas identified in the gap analysis.

Plans for the upcoming year will include: continued training of departmental staff to international standards to ensure the department provides all our customers with safe, reliable and professional marine transportation services; and continued progress with the department's succession planning to ensure highly technical posts within the department are filled by qualified Bermudians.

Thank you, Mr. Chairman. That concludes the brief for the Department of Marine and Ports Services, Head 30.

#### HEAD 34—TRANSPORT CONTROL DEPARTMENT

**Hon. Zane J. S. De Silva:** I will now move on to the Department of Transport Control.

Mr. Chairman, the budget for Head 34, the Department of Transportation Control, is found on pages B-204 to B-207 of the Budget Book.

The department's mission on page B-204 is, *To provide excellent service to our customers on a timely basis, thereby ensuring both customer satisfaction and an efficient transport regulatory environment, which contributes to the safety of Bermuda's motoring public.*

Mr. Chairman, the Transport Control Department administers the operation of all motor vehicles on Bermuda's roads. The department monitors and regulates the size, functionality, physical condition and quantity of all vehicles by carrying out the following activities:

- conducting the examination of all motor vehicles, motorcycles, and auxiliary cycles for road worthiness;
- administering the registration and licensing of all motor vehicles;
- executing the examination, registration and licensing of all drivers;
- regulating traffic by monitoring drivers and motor vehicles; and
- implementing road safety programmes.

Periodically, the department inspects public garages, minicar and cycle liveries, and filling stations to ensure compliance with permits. The department also issues special permits, such as one-day permits which allow a person to drive an unlicensed motor vehicle upon application for the same. These are typically for transporting the vehicle to the repair shop or to TCD itself for an examination.

The Transport Control Department has five business units: Examination, Registration, Road Safety, Traffic Control, and Administration.

The Examination team is responsible for administering all driving and riding tests to certify that applicants are fit to operate vehicles on Bermuda's roads. The examiners also examine all vehicles and

motorcycles, and are responsible for writing off private cars prior to their disposal.

The Registration section is responsible for registering and licensing all vehicles, licensing all persons who operate vehicles, and collecting revenue for all transactions conducted within the department.

The Road Safety programme is administered through the Road Safety Officer. The programme promotes road safety, awareness through education, training, and public events. The Road Safety Council advises the Minister on transport matters pertaining to road safety and devises strategies and programmes to address prominent problems.

The Traffic Control section is responsible for the management and enforcement of traffic, issuing permits for the movements of oversized containers, heavy loads, unlicensed vehicles, and causal Sunday permits. This section works with the Bermuda Police Service as a support in traffic enforcement.

The officers in the Traffic Control section also work closely with the Public Service Vehicles Licensing Board and the Trucks Advisory Committee to monitor and enforce the use of public service and commercial vehicles. The traffic enforcement officers continue to be deployed on street patrols to ensure all vehicles operating on Bermuda's roads comply with legislation. They are responsible for ticketing abandoned vehicles and cycles.

The Administration section is responsible for the overall operation and administration of the Transport Control Department. This includes professional services for the management of the safety and emissions programme, as well as IT support for the eTCD [electronic scheduling system], the Driver and Vehicle Registration System (DVRS), and the Appointment Management System (AMS). All are critical to ensuring smooth operations and excellent customer service. Customers have the ability to manage appointments online through AMS, and the department has partnered with insurance companies for the electronic transfer of information.

Mr. Chairman, the Transport Control Department continues to implement and maintain an effective and convenient vehicle examination and registration programme which is exceptionally user-friendly. This was highlighted recently when the department was recognised by *The Bermudian* magazine during its 16<sup>th</sup> Annual Product and Service Awards 2018 in the category of "Government Services." The caption read:

"Long gone are the days when you had to take an entire day off just to relicense your car. Today's TCD is a far different experience with an efficient walk-in system and an even easier online one."

**An Hon. Member:** Hear, hear!

**Hon. Zane J. S. De Silva:** Mr. Chairman, the Transport Control Department's budget allocation of

\$5,375,000 for 2019/20 is unchanged from the budget of 2018/19 and can be found on page B-204.

Under the General Summary of Expenditure per business unit you will find that the estimates for 2019/20 for each business unit do vary somewhat from the 2018/19 estimates. Although the core allocation of funds has not changed from the budget of 2018/19, funds are being reallocated from certain business units to others to better reflect the department's operational needs.

The variances are mainly due to the reallocation of \$1,960,000 that would have otherwise been appropriated for the vehicle inspection and emissions testing programme, which was previously outsourced. Effective 1 February 2019 this service has returned to the Examinations business unit 44000.

The variances include funds set aside for recruitment to vacant posts, creating seven examiner posts, and increased funding for the Project Ride Programme and the implementation of Phase 2 of the Road Safety Strategy, Operation Caution.

It should be noted that of the \$5,375,000, \$3,380,000 (or 63 per cent) is allocated to salaries and wages, and approximately \$415,000 (or 7.7 per cent) is allocated for the Professional Services, including secondary IT support for the eTCD, the Driver and Vehicle Registration System, and the Appointment Management System—all of which are critical to ensuring smooth operations and excellent customer service.

The remaining funds are used for general operating expenses such as utilities, repairs and maintenance to vehicles and equipment, printing and office supplies, boards and committee fees.

Examination, cost centre 44000. Mr. Chairman, the Examination section's estimated budget of \$1,210,070 sees, perhaps, the largest increase in the department and represents a \$587,042 increase over the previous year. The increase is entirely due to the additional posts required for the reintegration of the examination services that were previously outsourced. It is important to note that while the increase in this section is sizeable, the funds had existed within the department's cash limit as contract grant funds. This is merely a reallocation of those monies.

Registration, cost centre 44040. Mr. Chairman, the estimated budget for the Registration section is \$896,287 for the fiscal year 2019/20. The increase is \$152,071, or 20 per cent over the 2018/19 budget, and represents the increased salary uplift due to the filling of a much-needed formerly vacant post.

Road Safety, cost centre 44090. Mr. Chairman, Road Safety continues to be a grave concern to the Ministry. The estimated budget for this section has been increased to \$232,186. This represents an increase of \$69,605, or an approximate 42 per cent increase over the 2018/19 budget. This is inclusive of the Road Safety Council grant in the amount of \$60,000 seen on page C-18 of the Budget Book. As I

have already explained, the additional funding has been allocated to the Project Ride and Operation Caution initiatives.

Traffic Control, cost centre 44110. Mr. Chairman, the estimated budget for the Traffic Control section will be \$629,882. This represents an increase of \$47,715, or just over 8 per cent over the 2018/19 fiscal year. The increase is due to an increase in overtime for traffic enforcement and recruitment of a vacant post.

Administration, cost centre 44210. Mr. Chairman, the estimated budget for the Administration section will be \$2,406,576. This represents a decrease of \$856,432, or just over 26 per cent. The decrease is partially due to the reallocation of the previous grant funds to the Examinations business unit offset by the funding retained for the maintenance of the vehicle inspection equipment, including the upgrade and maintenance of the EVR and the CCTV equipment as well as rent for the satellite facilities, to name a few. (That is both Rockaway and Southside.)

Revenue, found on page B-205. Mr. Chairman. It is anticipated that in 2019/20 the department will collect \$30,988,300 in revenue. This is an increase of approximately \$500,000 over last year and is due to the anticipated increase in the number of commercial vehicle reinstatements and/or new permits, as well as an increase in the number of minicar livery operations, coupled with the registration and licensing of an additional 250 minicars.

Capital Expenditure, found on page C-12. The capital expenditure is estimated to be \$500,000 for the upgrade and replacement of vehicle testing equipment.

Manpower, found on page B-206. The 2019/20 estimates include funds for 41 full-time equivalents. This represents one additional staff member in the Registration business unit, or an increase of 3 per cent over the 2018/19 budget. This reflects the true number of FTEs for TCD, which was reported as 40 last year.

Plans for the upcoming year. Mr. Chairman, the Transport Control Department will continue to review the Motor Car Act 1951 and make recommendation for changes in consideration of the modernisation of road safety.

Mr. Chairman, the Bermuda Road Safety Council will work in conjunction with the Road Safety Officer to continue implementation of Operation Caution. And you may have heard some of those commercials just recently, Mr. Chairman, they are on all radio stations and quite often, so hopefully it will make a difference.

The core efforts in 2019/20 will be around education and awareness for school children at all levels, which I am sure you will appreciate, Mr. Shadow Minister.

*[Inaudible interjection]*

**Hon. Zane J. S. De Silva:** Yes, of course, as am I.

Mr. Chairman, the Transport Control Department is in the process of upgrading the EVR system. This is the system that monitors unlicensed vehicles travelling on Bermuda roads and it is anticipated that the EVR software integration with the DVRS and the installation of all new equipment will be completed by July of this year.

Mr. Chairman, that concludes the brief for TCD, Head 34, and the next is the brief for the Department of Public Transportation.

### HEAD 35—DEPARTMENT OF PUBLIC TRANSPORTATION

**Hon. Zane J. S. De Silva:** Mr. Chairman, I would like to present the budget for Head 35, the Department of Public Transportation found on pages B-208 through B-212 of the Budget Book.

The Department of Public Transportation's mission is simple, *Moving Bermuda with quality public bus service*.

Expenditure overview. Mr. Chairman, the total current expenditure (page B-208 of the Budget Book) is estimated to be \$22,367,621 which represents an increase of \$752,621, or approximately 3 per cent over the 2018/19 budget. The increase has been funded within the established cash limit through the reduction of the Bermuda Tourism Authority grant with additional funding being primarily put towards the following key areas:

- Overtime. While cost savings are expected with the implementation of a new bus schedule, overtime within the department has been traditionally under-budgeted. On balance, overtime continues to be an element of public transport services, particularly as it relates to bus operations and the repairs and maintenance.
- Diesel. Increasing fuel costs.
- Inventory. The consumable and permanent parts and supplies necessary to refit, repair and maintain the aged bus fleet.
- Training for continuing development of operations and maintenance personnel.
- Consultants (which is overseas consultants) have been key in supporting the bus service and its fleet of vehicles given the unique nature of the business.

Mr. Chairman, the Department of Public Transportation has three business units: Transportation, Maintenance, and Administration. The budget breakdown is as follows:

- Programme 3501—Transportation: Auxiliary Buses, cost centre 45000, \$137,991; Bus Operations, cost centre 45010, \$10,627,520.
- Programme 3502—Maintenance: Repair Services, cost centre 45090, \$5,624,428; Invento-

ry and Management, cost centre 45115, \$2,179,761.

- Programme 3503—Administration: Administration, cost centre 45120, \$2,904,020; Management Support, cost centre 45200, \$893,900.

Transportation Auxiliary Bus Services, otherwise known as the sightseeing and charters office. This small team is also responsible for the coordinating of all unrostered work on the public schedule and providing daily service updates. The current expenditure for Auxiliary Bus Services, cost centre 45000, is estimated to be \$137,991 for the 2019/20 [fiscal year] and represents a 9 per cent decrease versus the prior year's budget due to the removal of acting and overtime pay from this section.

Bus Operations. Mr. Chairman, the current scheduled bus service operates 18 hours per day, 7 days per week. The current account expenditure for Bus Operations, cost centre 45010, is estimated to be \$10,627,520 for the 2019/20 [fiscal] year. This represents an increase of approximately \$260,707 over the 2018/19 budget. The increase is primarily due to the funding of an overtime budget. While it is anticipated that the new schedule will sharply reduce overtime expenditure below previous levels, overtime is part of the existing bus schedule and traditionally it has not been budgeted at the appropriate levels.

Maintenance and Repair Servicing. Mr. Chairman, the Department of Public Transportation employs a team of professionals in Repair Servicing to repair and maintain the fleet of public buses, support vehicles and equipment. The current expenditure for Repair Servicing, cost centre 45090, is estimated at \$5,624,428 for 2019/20, which is similar to the \$5,697,000 allocated in 2018/19.

Inventory Management. Parts for vehicles and equipment are procured, stored, controlled and issued by the stores section which falls under Inventory Management. The current expenditure for Inventory Management, cost centre 45115, is estimated to be \$2,179,761 for 2019/20 and represents an increase of approximately \$120,000, or 6 per cent over the prior year's budget. The uplift is primarily due to funds provided for the purchase of engine parts to be used for the repair and maintenance of our aged bus fleet.

The Administration is primarily responsible for developing department strategy, policy and procedures ensuring that people, processes, and resources are available to deliver a quality public bus service. The expenditure for the Administration section, cost centre 45120, is estimated to be \$2,904,020; an increase of approximately \$444,000, or 18 per cent over 2018/19. The additional funding is set aside to re-establish the assistant director technical position, resolve occupational safety and health issues, and provide for inventory-related duty and fleet management services.

The Management Support team is responsible for selling and processing bus and ferry fares and providing administration services for accounts, procurement, and human resources. The expenditure for Management Support is estimated to be \$893,900 for 2019/20, which is an approximate increase of \$14,000, or 2 per cent compared to the budget of 2018/19. This small adjustment supports overtime required for the sale and administration of fare media.

Mr. Chairman, it is anticipated that in 2019/20 the Department of Public Transportation will generate approximately \$7,400,000 in revenue (page B-209 of the Budget Book). This will be attained primarily from fees charged for the provision of fare media, that is, bus tickets, passes, and tokens.

Mr. Chairman, the capital acquisition estimate for the department, as seen on page C-12 of the Budget Book, totals \$1,519,861 and is primarily for the acquisition of new buses. A total of four new buses were delivered in 2018 and a further 8 buses are contracted for deliver this year. In January 2019, the Government issued an RFI [Request For Information] for new buses and will use this information to develop a procurement strategy for continued replenishment of the aged bus fleet.

Manpower. Mr. Chairman, the total complement of FTEs in the new 2019/20 fiscal year is 232, as reported on page B-210 of the Budget Book. This represents a decrease of four positions, or approximately a 2 per cent decrease as compared to fiscal 2018/19. The breakdown of the FTEs by each section is as follows:

- The number of full-time equivalents for the cost centre 45000, Auxiliary Bus Services, is two, which does not differ from the amount in 2018/19.
- Bus Operations, cost centre 45010, has 157 full-time equivalents. This represents a decrease of five as compared to fiscal 2018/19 and it equates to a reduction of four vacant bus operator posts and one sightseeing coordinator.
- The cost centre 45090, Repair Servicing, the number of 50 full-time equivalents is unchanged from last year.
- Inventory Management, cost centre 45115, has been allocated four full-time equivalents, also unchanged from 2018/19.
- The number of full-time equivalents for cost centre 45120, Administration, is five, an increase of one, reflecting the intended reestablishment of the assistant director, technical, to oversee capital development and asset management activities.
- Management Support, cost centre 45200, has 14 full-time equivalents, unchanged from 2018/19.

Major policy changes. Mr. Chairman, the department is addressing the issue of daily cancellations

by implementing a new bus schedule that reduces the daily peak bus requirement from 88 buses down to 50. Sightseeing and charter services were suspended for the 2017/18 and 2018/19 fiscal year. This will remain as previously noted, subject to the replenishment of the public bus fleet where the focus is on reliable delivery of the bus schedule and the school bus services.

In the interest of energy efficiency and the environment the Ministry has entered into an MOU with Rocky Mountain Institute to assess the feasibility of introducing electric buses for Bermuda.

Plans for the upcoming year. Mr. Chairman, the department is committed to moving Bermuda with a quality public bus service. To achieve this, the department will implement initiatives that restore dependability, improve access to fares and service information, re-establish the bus fleet availability, and improve the passenger experience.

New bus schedule. The aforementioned new bus schedule will be in place for the start of the 2019/20 fiscal year and will continue for up to 18 months. The reduced schedule will allow for dependable service by eliminating service cancellations due to the shortage of buses while the aged bus fleet is replenished.

Bus purchase and refurbishment. Mr. Chairman, four new buses were delivered in fiscal year 2018/19. The 14 buses procured in 2009 have to be refurbished to gain approximately five more years of operation. Eight new buses have been contracted and will be delivered this year. An RFP will be issued in 2019 for the procurement of the next generation of buses in the continuing effort to reduce the average age of the fleet.

Asset management. The department seeks to re-establish the position of assistant director, technical, to provide technical leadership and enhance asset management. Continuing investment will be made in training, development, and recruitment of technicians and trades responsible for fleet maintenance. The department will retire buses that are no longer economically viable and focus its resources on maintenance and repair of the remaining fleet. Supporting facilities and work processes will be enhanced to improve efficiency and fleet readiness.

Passenger experience. The department aspires to be Bermuda's preferred transportation solution. To achieve this, the department will focus on improving the passenger experience, both in person and through technology. The ambassador training programme will continue in 2019 for all front-line representatives. The advancement of projects such as the electronic fare media and real time passenger information will improve access to the public bus service and provide for a frictionless travel experience.

With respect to fare media improvements, the aim is to source the best solution for an integrated digital ticketing fare media payment system for public

buses and ferries. The Ministry published an RFI in late 2018 and will be following up with an RFP in this new fiscal year.

Mr. Chairman, this concludes the brief for the Department of Public Transportation Services, Head 35.

Mr. Chairman, I would like to take this opportunity to applaud the staff of the Departments of Marine and Ports, Transport Control, and Public Transportation for their hard work and diligence. Keeping Bermuda on the road, so to speak, and moving us from A to B is not without its challenges, Mr. Chairman. And I would like to express my sincere appreciation to all the staff who provide us residents and visitors with these public services.

Now, Mr. Chairman, before I conclude I would just like to draw one example of how our civil servants, who come under a lot of flak from time to time, what . . . some of the things they do. A couple of weeks ago I just happened to go down to TCD on a Sunday. Guess what I found, Mr. Chairman?

**The Chairman:** Tell me.

**Hon. Zane J. S. De Silva:** Staff were there . . . painting—painting the building, painting the walls, painting their workplace. That is what kind of staff we have.

Now, Mr. Chairman, you will know, somebody will say, *Well, look, you know, I'm a truck driver, all I'm gonna do is drive a truck.* But you know we have many of our civil servants . . . and I would certainly like to thank those that are here today. I have found [them] to be quite an efficient team, indeed, Mr. Chairman. And I think all of them should be very proud. I have certainly found . . . and you know I mentioned [it] the other night when I was just speaking to one of the other ministries, in that I do not think that we as a country give our civil servants enough praise. There are many of our civil servants that, you know, this is not only a job, it is a career. And a lot of them take their jobs personally.

And it is amazing because I have held several ministries over the years (I guess I am showing my age). But the thing is, Mr. Chairman, it seems like no matter what ministry I have been in, like, you know, people go beyond the call of duty—they really do. I mean, it is not unusual . . . and you know I am speaking . . . and I am sure other Ministers . . . I know that I have talked to a couple of my colleagues and they go in at 7:30 in the morning and sometimes people are at work before them. And I am sure you experienced it when you were there.

**The Chairman:** I did.

**Hon. Zane J. S. De Silva:** And I just cannot give enough praise to our civil servants that keep this country . . . really, they are the ones that keep this country ticking. And, to me, we just need to make sure

that we highlight them as much as we possibly can. Because, you know, it is easy to criticise, but it is nice to be able to give our people the compliments and, you know, the props that they deserve.

And I mentioned the other night our Clerk, Mrs. Shernette Wolffe. She comes into the House at a good time, because I have been here now 12 years, Mr. Chairman. And I can tell you this lot up here work hard and they put in some long hours. I do not know how they do it, putting up with us lot, but they do.

So I thank you, Madam Clerk, and all your staff. And also I would just like to say thanks to my staff as well. I think they do a fantastic job. And I look forward to continuing the working relationship that we have.

With that said, Mr. Chairman, that concludes my brief on the Estimates of Revenue and Expenditure for the year 2019/20 for the Ministry of Tourism and Transport.

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

Now I recognise the Deputy Opposition Leader, Ms. Leah Scott—

**Ms. Leah K. Scott:** Thank you, Mr. Chairman.

**The Chairman:** —and she will respond accordingly.

**Ms. Leah K. Scott:** Thank you, Mr. Chairman. And I support the Minister in his remarks for the civil servants and I agree that oftentimes their work and the things that they do are not acknowledged, so thank you.

Mr. Chairman, I will start with Head 30, Marine and Ports. If we can look at page B-200, Head 30, under Training. Training has gone from 88 to 335, which is a large increase. I am just wondering what . . . why the jump? I am happy that people are being trained—

*[Inaudible interjection]*

**Ms. Leah K. Scott:** [Page] B-200, Head 30, under Training. And you know I am happy that people are being trained so that they are more diligent and efficient in their jobs, it is just a big increase, so I just would like a further explanation about that.

On page B-200, again, on Rentals, it has gone from 2.3 down to 842, and I would like to know what that reduction is and why there is a reduction.

On [page] B-200, I see the Tug Revenue has increased. It is a marginal increase, but it has increased and I would like to . . . I am pleased that there has been an increase, but could the Minister give me an explanation as to why that has increased?

And I think I missed it, but I think you did say in your brief how many search and rescue cases we had for 2018. I think it was like—

[Inaudible interjection]

**Ms. Leah K. Scott:** Okay, okay. I think I—

[Inaudible interjection]

**Ms. Leah K. Scott:** Okay. Thank you.

Let us see, again, on page B-200, Head 30, under Other Personnel Costs, that has gone from 70 to 27. Why the decrease? And my understanding is that there was only one ferry supervisor in Dockyard, Dennis Outerbridge. And apparently, my understanding is that he was one of Bermuda's best ambassadors and he was moved from that post. And I would like to know why he was moved from that post and whether or not there are any plans to either replace him or reinstate him or put somebody else there.

[Inaudible interjection]

**Ms. Leah K. Scott:** Head 30, under Other Personnel Costs. I guess that . . . I am not sure whether that is the correct one, but . . .

Again, on page B-200, under Repair and Maintenance, I understand that one of the cycle parks up at the Dockyard was turned into a car park. Is there any reason for that? Was it that the cycle park was not being used? Did they need that space or what was the reason?

And again, under Repairs and Maintenance, last year we were informed that we were retiring some of the old steel buoys in the Dundonald Channel and up the branch off of Two Rock Passage, and that eight had been deployed and we had another six that were being made ready for deployment. What is the status of that? Have those been deployed?

On page B-200, line item 8763, now in 2018 the future of the tug fleet was being considered and they were trying to balance maintenance costs against the balance of capital investment in the tugs. And the three tugs do have relatively low power and they were undergoing a review. Has the review been conducted? Has it been completed? What has been determined? Do we need to acquire new tugs? Are we going to try to do something with the ones that we have? And how long will the ones that we have last?

Again, under Repairs and Maintenance, page B-200, as the Minister stated, the *Bermudian* does supplement the ferry service. However, its maintenance costs in 2018/19 were increasing because of the age of the vessel. And so is it economically viable to keep it and to continue to kind of just put Band-Aids on it? Or do we need to really consider purchasing another ferry? And if we do, what would the approximate cost be and the time frame for that?

On page B-200, [line item] 8177, I know that the Marine and Ports sometimes puts their tenders out for public hire for local cruises. I would like to know if there were any for 2018 and how much revenue was generated by those public hires.

[Inaudible interjection]

**Ms. Leah K. Scott:** For [line item] 8177, Local Cruises.

Again, on page B-200, the Dockyard cradle assists local vessels in their repairs, and consideration was given to making that an official revenue stream. I would like to know whether it has been made an official revenue stream, how much revenue was generated from the cradle in 2018/19 and what are the plans for it going forward.

On page B-200, Ferry Receipts. So, as the passenger ship cruise sizes have increased, I am sure that has also . . . or should be . . . there should have been a corresponding increase in ferry services because you have got more people coming to the Island. What was the revenue uplift for 2018/19, if any? Was there a need for any additional runs and, if so, how many were there? And because of these additional runs, is there a need for increased overhaul and other maintenance on the vessels? And, if so, what are the costs for those?

Page B-200, [line item] 8173, Boat Moorings. I think there are 13 staff . . . no, sorry, three people that manage this. And is that enough staff for this? I do not know the level of work that is required, so if you could give me an explanation as to what is required for Boat Moorings and is three people enough to service that department?

And the Boat Moorings department was supposed to move offices. Have they moved? And, if so, what was the cost of the move? And has there been an increase in productivity since the move? I know sometimes when you move people into better spaces they are happier and they are more productive. So have they seen an increase in productivity?

On page B-199, business unit 3007, 40220, and I guess this would be under Administration, it is the United Nations' Safety of Life at Sea (SOLAS) Convention. And there was a \$90,000 increase last year for repairs and maintenance to the marine radar communications systems. Was that increase sufficient to take care of the repairs that were required? Are there further repairs needed? Do we need to purchase a new system? And, if so, what would that cost? And what is the real-life expectancy of the radar and radio communications that we currently have?

Under Head . . . page B-199, again, business unit 3007, 40220, the Minister did touch on the IMO, Instrument Implementation Code. And I would just like to know, will we be in good shape for the 2020 audit? I know that 2020 seems like it is a far way away, but, you know, things creep up on you. So how well prepared are we for the audit? And if we are not prepared, what things do we need to do?

On page B-201, line item 40100, Maritime Safety and Security, there was a staff of nine, and it was anticipated that there would be an increase of one person. Has that post been increased? And is

that a new post? Or is it a transition over for somewhere else or did they already have money available for that post and it is just somebody now filling the spot?

Again, on page B-201, line item 40100, Maritime Safety and Security, it was intended that we were going to expand on our maritime safety and security measures in line with recommendations that were contained in the National Security Review. And if you could remind me of what those recommendations were and how many of them have been implemented and what is outstanding.

On page B-200 . . . sorry, going back to Repairs and Maintenance. It was proposed in 2018/19 that the VHF coastal radio system was going to be replaced. Has it been replaced? And what was the cost of doing so? And what is the life expectancy of that radio system?

On page B-200, again, under Training there is . . . I think I have mentioned it, there has been a huge . . . yes, there has been a huge increase. So I know that crews have to be trained to ensure that those who operate the St. George's and the St. David's vessels are well-equipped. What is the number of people that are actually monitoring those vessels? And is it a sufficient number?

On page B-200, line item 8185, Pilotage Fees, it was proposed in 2018/19 that night pilotage would be introduced for various classes of cargo and cruise vessels, and it would allow ships to be more flexible in their arrival and you could extend hours for cruise ships and aid increase in spending by cruise ship passengers. Did this occur? And if it did not, why did it not? And are there plans to actually have night pilotage to be introduced?

On page B-199, business unit 3007, line item 40220, Administration, it was proposed to continue conducting passenger load studies with a view to deploying more fuel-efficient ferries on selected routes. Have these studies been conducted? And, if so, what was the outcome? And if they were conducted, has there been a corresponding reduction in fuel consumption as was intended?

On page B-199, again, line item 3007 . . . and I believe this would come under Administration. Again, fuel savings were expected to be achieved during the year as a result of the revised 2018 ferry schedule for the Blue Route between Dockyard and Hamilton without a corresponding reduction in passenger lift for cruise ship visitors and commuters. Has that savings been realised?

On [page] B-199, again, business unit 3007, line item 40090. After the America's Cup the *Millennium* returned and it was anticipated that the lift between Dockyard and St. George's would be provided by a Marine and Ports ferry. And it was anticipated that this ferry would result in additional cost savings for the department because it would not have to fund accommodations, travel, and maintenance and over-

seas salaries that came with the *Millennium*. Was there a cost savings? And, if so, what was the amount of the cost savings?

Now if you turn to page B-203, Performance Measures, the first business unit Moorings and Boat [Registrations]. The goal to remove 50 per cent of the illegal unregistered moorings by the year end, the original forecast was 70 [per cent] and it was 50 per cent. Why were we not able to achieve that 70 per cent?

There was a goal to regularise all unlicensed in-water boats, the original forecast . . . actually not pretty bad. It was forecasted 10 [per cent] and it is 25 per cent, so congratulations.

And under business unit 40220, Administration, again, on page B-203, 100 per cent of required staff trained in the per safety and health regulations, it was forecasted at 100 per cent and it was met at 60 per cent. And why were you not able to meet the 100 per cent?

Oh, and I had one more question. No, that is . . . okay, that is it for Marine and Ports.

So do you want to go through each head and answer the questions head by head . . . I mean, department by department, or . . .

*[Inaudible interjections]*

**Ms. Leah K. Scott:** Okay. All right.

So, Transport Control Department, page B-204, under business unit 3401 and then 44110, Traffic Control. So now that the vehicle safety and emissions programme has moved under the auspices of Government, I believe that they had a staff of 13. And I think that some of them, I guess, were offered jobs with TCD. How many people actually took up positions there? And then how many people decided not to take up positions? And I think I read that the anticipated savings from this transition back would be a savings of \$400,000 to Government for this? Could you . . .

*[Inaudible interjection]*

**Ms. Leah K. Scott:** Yes, okay.

And then I am not sure, this does not fall under a particular head, and I am not sure whether I can even ask this question. So if I am out of line, please let me know. But one of the things that I would like to know is what the status is with Bermudians travelling to Massachusetts. Remember, we had an issue with car rentals in Massachusetts and we were working on a resolution. And so where are we in terms of resolving that issue? And I know that is kind of off the beaten track, but I would still like to know.

On page B-205 under 8477, Miscellaneous Vehicles and, I guess, minicars would come under that. I think it comes . . . I am not sure what it comes

under, but I put it under that. What has been the uplift in revenue because of the minicars?

On page B-206, staffing under Registration, that has increased by one, right? And was that a new position or was that . . . you know, a vacancy that was just waiting to be filled?

Going back to page B-204 under Traffic Control, and I know the Minister did actually touch on the EVR system, which tracks unlicensed and uninsured vehicles. And I know that in . . . I think, 2017/18 and 2018/19 it was not working and so now we are looking at having it functional, I guess, maybe by the end of the year. But is there any estimated revenue loss for that in terms of not catching unlicensed vehicles and uninsured vehicles with the system being out of operation? And it does not have to be an exact figure, just an estimate.

Under page B-204, 3401, business unit 44000, Examinations, it has gone from 564 to 1.2 million. What is the . . . and, I guess, what is the reason for the increase? And is it because funds were just generally increasing? I think you actually might have touched on it at the beginning of your brief, but in addition, because there has been an increase in fees has that contributed to that increase?

Now, on [page] B-204, 3401, line item 44140 under Traffic Control. Traffic Control I know tickets abandoned vehicles and cycles. And I see a lot of abandoned cycles all over the place and a lot of abandoned cars. So if they ticket them but nobody replies to the tickets, what happens? And then so the expense is with the government in removing those items? So what is the consequence to the person leaving the vehicle there? Or if there is not a consequence, do we need to look at legislation to start imposing fines that are more serious than people just leaving their bikes and making the government responsible for cleaning them up? I do not think that that is an expense that the government should have to endure.

And I guess the other question . . . well, I am not sure even if warrants are issued for these tickets. Do you go by the bicycle licence and then you try to get the person? A lot of times they take the licence plate out, so I am not sure that ticketing them is an efficient way of trying to address the issue. But I do not know what an efficient way would be.

Under, on page C-18, 6962 the Road Safety Council . . . so I know that that was increased in 2018/19 to \$25,000 and I asked the question then and I am going to ask it again this year. Is \$25,000 enough for the road safety initiatives and does it assist in enhancing Project Ride? And the other challenge that I have is, we do now have the sobriety legislation in place, which is a good thing. But what it is causing is that people do not want to go out, and they do not want to stay in town after hours because we do not have taxis available. So what consideration is being given to possibly having Uber or Lyft in Bermuda or

amending the taxi legislation so that if a taxi driver has the taxi, it has to be out a certain number of hours on the road?

And, you know, the problem with Bermuda with the taxi legislation is that taxis are multiple lines of business for people. Some people buy taxis for revenue, some people buy taxis because they just want something to do because they are retired, some people buy taxis because they do not want to be at home with their wife because they are retired—

*[Laughter]*

**Ms. Leah K. Scott:** Some people buy taxis because . . . there are multiple reasons for people buying taxis. And so as a result we have a disconnected taxi service, and it is doing us a disservice in terms people going out in the evenings and wanting to enjoy themselves. And I would venture to say that since we have put in the road sobriety legislation that there has been a decrease in restaurant business because people just cannot get home.

Page B-204, line item 3401 and, again, 44210 Administration. Last year the allocation for printing TCD application forms was reduced to cover the 2.5 [per cent] negotiated salary increase and all forms were made available on the government portal. Has that been an issue? Because there are a lot of people that do not use computers; there are a lot of seniors that do not use computers. They can drive, but they do not use computers. And so what impact has that been on people having access to forms?

And has that created any issues for the department in terms of people coming and saying, *Oh, I can't get on the portal. I need the form.* . . . Has there been . . . despite the fact that there has been a reduction, has there been an issue with having forms available for people who do not go to the government portal?

Going back to [page] B-204, line item 44090, Road Safety. This is a hard one and I do not know that anybody knows the answer to this, but what can we actually really do to get people to stop driving on the road like maniacs? You know, you have got people that are . . . young people dying and people are still driving around like crazy. We have got legislation in place, what do we do? Can we enhance our legislation? I mean, I do not know what the answer is, and I do not know what things we need to do. But we are going to have to do something to address our road safety issues, because it is a real challenge for Bermuda.

Looking at page C-12, line item 76360, Testing Equipment. That has gone from zero to 500. And I guess this may be due to taking over the emissions testing function or . . .

*[Inaudible interjection]*

**Ms. Leah K. Scott:** No? Okay, all right.

I did the performance measures. Page B-207 . . . no, that is the wrong one. Page B-204, again, 44210, under Administration. The Minister did talk about bringing bus passes and ferry tokens into the digital age, but consideration was also being given to Bermuda's driver's licences being brought into the electronic age by introducing radio frequency identification, also known as chip technology. So, what is the status of this project? Has there been any progress made? What is the associated cost to have this implemented? I presume that new equipment and a change in infrastructure will be required and, if so, what will be the cost of that?

And on [page] B-204, again, under Administration, 44210, it was intended that TCD would conduct a comprehensive review of the Motor [Car] Act 1951 to modernise the Act and to address some of the provisions within the Act that are actually contrary to the TCD's own policy. What is the status of that review? Where are we with it? And when will we see amendments to the legislation?

And I am also curious to find out whether or not legislation will be drafted. I know we tried to bring it to the House some time ago, about visors and where you have to have a clear visor. You cannot have a smoked or completely blacked-out visor. Just, you know, similar to what we did with the windows. You cannot have your windows, you know, tinted to a greater level. So consideration should be given to that, particularly with people going in and robbing stores and gas stations and putting their helmets on.

And that, I think . . . oh, I just had a question on page B-205, line item 8383, Vehicle Registration Two Wheel, and it has gone from one to zero, and why that is.

And, again, on page B-205, line item 8889, Sundry Receipts has gone from 120 to zero and why that has decreased.

And on page B-205, Other Expenses have gone from 296 to 10. Why is that decreased?

And going over to page B-207, Performance Measures, under business unit 44000, Examinations, to provide a driving test appointment within 10 business days of requested date and target 90 per cent of requests and this was not achieved. And I would like to know why it was not achieved.

*[Inaudible interjection]*

**Ms. Leah K. Scott:** It says actual outcome.

*[Inaudible interjection]*

**Ms. Leah K. Scott:** Oh, sorry, sorry, sorry, okay. Sorry. All right.

Well, that ends my questions for TCD.

And now I will move to [the Department of] Public Transportation [DPT].

Mr. Chairman, the mission of DPT is to provide safe, affordable, reliable—and I will say that again, *reliable*—and comfortable public transportation. And I really do hope that this will happen in 2019 because, Mr. Chairman, I actually do catch the bus sometimes. I enjoy catching the bus, and I wish that I could catch it more. But I cannot because I do not know from day-to-day what I am doing in the evenings. However, there have been challenges with the bus schedule. So I hope that with this year's budget we can actually address those challenges and that, you know, we can get the schedule going and satisfy Mr. and Mrs. Bermuda by having a reliable public transportation system.

I am going to start with page B-208, business unit 3501, and line item 45010. In the 2018/19 budget there was a 5 per cent decrease from the 2017/18 budget, and that decrease was said to be due to the reduction of funded bus operator positions that were in preparation for the filling of key positions in other sections of DPT. Have those positions been filled? And what were those key positions?

The overtime budget was reduced in 2018/19 in anticipation of the implementation of the new bus schedule, which did not happen. So we now have a bus schedule and we also have an approved roster. So, hopefully, the two can get married and we can get less bus cancellations and have buses working the way that they should be. And I understand we are very, very close to having a bus schedule.

Now I know I have heard talk that there are two schedules—a winter schedule and a summer schedule. And my understanding is that this schedule is actually going to be for the next 18 months. So I would just like confirmation from the Minister that, once the negotiations are completed and the roster and the actual new schedule are married, that this is going to be the schedule for 18 months and that we are not going to have to anticipate further discussions and issues for a summer schedule, particularly with the Department of Tourism working so hard to get tourists here and we need to have reliable transportation for our visitors to the Island.

Again, on page B-208, business unit 3503 . . . sorry, business unit 3502, and line item 45090, Repair Servicing. In 2018/19 this was increased by \$203,000, or 4 per cent. And the increase was attributed to the procurement of better-performing oil that burned more cleanly and eliminated the black exhaust that you used to see from the buses. Have they gained any efficiencies by using this oil? And is our environment cleaner and our community now breathing safer because we have been utilising this new oil?

On page B-208, again, business unit 3501, line item 45000, Auxiliary Bus Services. Now this is the team that coordinates the sightseeing tours and the bus charters. And the Minister did say that this is not going to be resumed any time soon. So this has been suspended since 2016. Has there actually been

an analysis of the revenue that has been lost without having sightseeing tours, charters and special shuttles?

Also, I think—and please correct me if I am wrong—under Bus Operators, number 45010, on page B-208, the Minister did state that there is a sightseeing coordinator. And if we are not having any sightseeing tours, why do we need a sightseeing coordinator? And I may not have heard it correctly.

*[Inaudible interjection]*

**Ms. Leah K. Scott:** On page B-208, under the revenue summary, estimated revenues were \$8.1 million (and that was in 2018/19), and it was subsequently revised to \$6.2 million. Why did we not reach the target of \$8 million? Did we overestimate it? Or was it due to the multiple cancellations of the bus routes?

On page B-208, business unit 3502, line item 45090, Repair Servicing, I think the Minister actually stated this, but the 14 buses [bought] in 2009 have to be refurbished to gain eight more years of service. How many of those buses have been refurbished? And with the refurbishment, what is the anticipated extended life?

On page B-208, again, business unit 3503, line item 45120, Administration, are there any plans to conduct any rider surveys to actually determine what routes can be deleted or reduced, and what routes have a heavier load and more buses need to be added to them? And what are the best times for the people who ride the buses?

Again, on page B-208, under business unit 3501 . . . sorry, not 3501, business unit 3503, 45120, Administration, there was a Transportation Green Paper that was produced. And the Ministry was supposed to conduct a World Café, similar to a stakeholder roundtable, to discuss the findings of the surveys. Has that World Café been held? And if it has not been held, why has it not been held and when are they planning on holding it?

On page C-12, line item 76293 . . . and I think the Minister already addressed this. Capital Acquisitions has been reduced from \$3 million to \$1.5 million. I am assuming that takes into account buses that have already been purchased.

On page B-208, again, I put this under 45120, because I am not sure whether . . . if it goes there or whether it goes under 45010, Bus Operations. But much of 2018/19 was focused on ensuring quality transportation services for our visitors and that included using the taxi and minibus tours. And we remain reliant on taxis and minibuses to provide transportation and, in particular, between Dockyard and Horsehoe Bay. Is that going to continue to be the case until we get the number of buses that are required to be able to service our visitors from Dockyard and other places on the Island?

I think I already talked about . . . or the Minister addressed the possibility of moving to a cashless payment system and those options are being investigated. And I would like to know just generally what the projected cost (if you know) would be to implement such a system and what the cost savings would be to the Government after such a system is implemented.

On page B-210, line item . . . I have got it under 45120, Administration. And I could have it in the wrong place, but in 2018/19 emphasis was placed on investing in the infrastructure of the department. And there was going to be a facilities manager hired to lead enhancement projects for the facilities in Dockyard, Southampton, Hamilton, Devonshire, St. George's, [to] monitor the maintenance of the buildings and grounds and manage the resolution of occupational and safety and health matters. Was this person hired? If so, have they begun to undertake the enhancement projects that have been identified? If he or she has, what projects have been started? What have been the costs for those projects? What is the end date for the completion of those projects?

On page B-211, under Performance Measures, 45010, minimise accidents per month to less than 10, and then the target outcome is discontinued. Why is it discontinued? Unless I am not reading it correctly?

And then, again under 45010, reduce the number of cancelled bus trips due to operator deployment per week to 10. The outcome was 19, and then it has been discontinued. Why has it been discontinued?

Again, on page B-211, under business unit 45090, Repair Servicing, service every bus every 90 days. The actual outcome in 2017/18 was 14 per cent. It was 100 per cent for 2018/19, and it has been discontinued for 2019/20. Why is that?

And then on, again, page B-211, under business unit 45120, Administration, maintain a weighted average age of the bus fleet of less than seven years, and that has been discontinued. So I would like to know why that has been discontinued.

And I think that covers all of the questions that I had. Yes, that is it.

Thank you.

**The Chairman:** Thank you, Honourable Member.

Is there anyone that would like to make a contribution to the Department of Transportation on Heads 30, 34 and 35; that is, Public Transportation, Transport Control Department, and Marine and Ports?

I now recognise the Opposition Leader and former Premier the Honourable Craig Cannonier.

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

I just want to get to the page . . . here we go, [page] B-204. I do not know where it comes under the general titles there 3401, 4400, 44040, but I was concerned about . . . in the past, where I know that calls

have been made to . . . this was brought up by the Deputy Opposition Leader as well, about vehicles being left in parks, on the side of the road, and even more so boats—very much so. There are a lot of boats still, due to hurricanes and the likes, that are left completely abandoned.

**The Chairman:** I would say it falls under Registration.

**Hon. L. Craig Cannonier:** Under Registration, yes. I guess what I was concerned about was in calling TCD I recall one incident where they were trying to figure out who is responsible for removing the vehicle. And it was still a question as to who was responsible for removing it after the vehicle had been there for literally months—five months, six months. I recall also a bike that was in a park left on its stand for over six months and, in fact, that bike is still there now.

*[Inaudible interjection and laughter]*

**Hon. L. Craig Cannonier:** Oh, I should try to check it, right? Ride it overboard.

So I just was not sure. There seemed to be some question as to who was responsible for the removal of vehicles and/or boats, because we do know that the cost of that can be astronomical.

Also, over on page B-205, I was looking under Professional Services. And we can see where \$1.8 million is coming out. I am assuming that that is due to the emissions testing not being done now. What I wanted to know is, is that entire amount that has been gained—the \$1.8 million—is that solely due to the emissions? Or does that involve some other things where savings were made, other professional services where savings were made? So I am just curious as to that particular number, if it involved anything else.

I also . . . where is it? Sorry. I just want to flip back to performance measures on page B-202. And the Member may have . . . and please forgive me if I missed this before I came into the Chamber, but under business unit Ferry Services, 40090, all of those, the first four performance measures, are discontinued. I was just curious as to why they were being discontinued. What was the effect? What was the meaning of those being discontinued as this has been a high performer in the past of . . . like ferries to operate to the published ferry schedule, number of trips, and the likes. We see good numbers there, but it is now for the projections of 2019/20 they have been removed.

And just bear with me . . . just a minute . . . there was one other question I had. Oh, yes, for the performance measures under page B-203, understanding they are regularising all unlicensed in-water boats means that, you know, someone that is going out and checking to see whether or not boats are licensed and the like. Who, at the end of the day, is responsible for that? Is it the police who then monitor the waters and then relay that information to the de-

partment? Or does the department have someone that is actually going out? Because I can assure you that, living on the waterside myself, there are lot of boats that I know are unlicensed—

*[Inaudible interjection]*

**Hon. L. Craig Cannonier:** No, I am not on the hill there like you. But I did manage to get waterside.

*[Laughter]*

*[Inaudible interjection and laughter]*

**Hon. L. Craig Cannonier:** I certainly do. You are a roamer . . . back and forth?

I am just curious as to who, at the end of the day, is responsible for this. Because if the police are not . . . I have not seen them come in the bay there for a long, long, long, long time. And if that is the case, if we are relying on the information from the marine police service then, you know, we are missing out on a huge opportunity to get some boats licensed, which would be worth more revenue, including moorings, for the department to increase its revenue take.

Also on [page] B-202, reduce the number of emergency satellite beacon false alerts from Bermuda registered vessels and aircraft worldwide by 10 per cent. That is rather interesting there. Can you give us a bit more information as to why we are getting false alerts? Is it because of the equipment? Does it not match up with the new GPS-type systems and the like? I do not know. But it would be interesting to hear a little more about what that means and why we are getting false alerts for, not just registered vessels locally, but aircraft worldwide.

Thank you.

**The Chairman:** Thank you, Opposition Leader.

Is there anyone else that would like to make a contribution to the debate in regard to the Department of Transportation? We are debating Heads 30, 34 and 35.

I do not see anyone to their feet.

We have the Deputy Opposition Leader again, she would like to make a brief contribution.

**Ms. Leah K. Scott:** Thank you, Mr. Chairman.

I just have a question and this would be under Marine and Ports, page B-199, 3007 either 40150, Mooring and Boat Registration, or 40220, Administration. Last year I raised this question with the Minister.

There is a piece of legislation, and I cannot remember the name of it, but it deals with boats. And if you do not dispose of your boat properly then the only fine is \$360 *[sic]*, which is no discouragement to anybody. And so I had asked the Minister last year if we could do something about either increasing the fine or adding a harsher consequence to dissuade

people from just leaving their boats because, again, it is an expense for the government to have to come and get these vessels. And so can we be creative and look at some other ways of having people not leave their waste for the government to have to clean up?

**The Chairman:** Thank you, Deputy Opposition Leader.

Minister, would you like to respond to these questions?

**Hon. Zane J. S. De Silva:** Yes, okay.

**The Chairman:** We have the Minister of Transportation, the Honourable Zane De Silva. He is responding to questions raised by the Opposition and other Members in the House. He will be addressing Heads 30, 34 and 35 under the Department of Transportation. Honourable Minister.

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

I will just answer in any particular order. I am sure the Members will not mind which order they come in, because they see what . . . and they would know, because they sat here not long ago. And it could be a long time . . . it is going to be a long time before you come back, too.

*[Inaudible interjection]*

**Hon. Zane J. S. De Silva:** I am being nice. I cannot help it, Leah, you know how I am.

*[Inaudible interjection]*

**Hon. Zane J. S. De Silva:** Okay, all right. Yes, it is. And you look beautiful in your purple.

*[Inaudible interjection]*

**Hon. Zane J. S. De Silva:** Okay, now, I think it was . . . I think both of you might have talked about abandoned boats. I will just start from there.

*[Inaudible interjection]*

**Hon. Zane J. S. De Silva:** No, abandoned boats. And we can talk about abandoned vehicles in a moment, too.

But abandoned boats. You are right, \$260 is just not . . . I think the cars are \$250. So what we are going to do is . . . and you will find, I just had a chat with the Director of Marine and Ports, and we are going to be looking at bringing legislation to change that. And it may have been talked about last year, but I can assure you—and I will just lay down a marker—that it will be done before this year is over. And that fee is going to be quite substantial. And what we are going to do is we will look at . . . you know, we will obviously

have to consult with Chambers and find the best way to do it, but it will be done, because you can imagine what it cost to remove a boat. You need barges sometimes, cranes and all that stuff. So it is not going to be cheap. So if someone wants to leave their boat they are going to pay a heavy price . . . the same with cars.

Whilst I am on the removal of cars, in my short time in the Ministry, I think we have removed about 10 or 12 cars. And I guess the people of the country have to be thankful for one individual, in particular, and that would be MP Famous, because he is relentless. He sends you pictures of cars every week! And every week that goes by—

**An Hon. Member:** Ahem! Ahem!

**Hon. Zane J. S. De Silva:** Oh, Mr. Neville Tyrrell, too.

**An Hon. Member:** Ahem!

**Hon. Zane J. S. De Silva:** And also Mr. Wayne Furbert. Anybody else want to give me an “Ahem”?

*[Laughter]*

**Hon. Zane J. S. De Silva:** But, no, I can assure you, Mr. Chairman, the Members on this side have been . . . quite—

*[Inaudible interjections]*

**Hon. Zane J. S. De Silva:** No, they have been vociferous, they have been very demanding . . . very demanding. In fact, I even throw the Premier in that group, because he sent me a picture too.

But I will say that our department has responded very well, and we have been successful in removing cars. But you know it is important for folks that are listening to note that it is not just as easy as saying, *Well, look, it's an abandoned car. It has been sitting here for six months, we deal with it.* Because, first of all, you have to make sure it is on government property.

**The Chairman:** Yes.

**Hon. Zane J. S. De Silva:** Because if it is in somebody's yard you cannot do anything about it. You know, I think everybody in the Island knows V. K. Richardson, where he used to keep his trucks down by the bottom of . . . by St. Mark's . . . not St. Mark's, St. Mary's Church. And he must have had about a hundred trucks in his yard. But anyway, you cannot do much when someone wants to keep a vehicle, or an old boat, in their yard. I suppose we could do, but as one that used to go to the dump every Saturday to drop off goods and come back with another truck load of goods, I cannot complain.

*[Inaudible interjection]*

**Hon. Zane J. S. De Silva:** Because back in those early days, I can assure you—just check with my wife. She used to dread me taking away trash from my house, because I used to go . . . there was the dump up Dockyard, where . . . what is it?

*[Inaudible interjections]*

**Hon. Zane J. S. De Silva:** Where Snorkel Park . . . yes, where Snorkel Park is, Sally Port. She used to dread when I would come back home, because I used to bring back more than I took over.

*[Inaudible interjection and laughter]*

**Hon. Zane J. S. De Silva:** Oh, yes. Oh, yes, back in the day. We can all tell stories.

The cashless system, the fare system, the fare media that I talked about, we . . . that is coming. So it is a work in progress. And I think everybody . . . everybody in the Island will be happy when we get to that space.

We talked about sightseeing tours. Correct, we are not doing any at the moment. The person that works in that department helps with the unrostered routes. And so, you know, it is one employee and they are assisting with that.

**Ms. Leah K. Scott:** Could I just ask a quick question?

Just in terms of . . . and I know you may not have the number to hand now, but what is the actual revenue lost from 2016 to date by not having the charters? And you do not have to give it to me today.

**Hon. Zane J. S. De Silva:** Actually, I do have it because that has been a subject that I asked about just a couple of weeks ago. Because even though we have been a little low on our bus complement, I did ask the question. And the number was between \$1 [million] and \$2 million. So it is a lot of revenue . . . a lot of revenue.

So we are looking at that at present. If there is a silver lining to that, the government has lost some revenue, but a lot of that is being picked up by our local taxi drivers and minibus drivers. So, you know, the old saying is *when one door closes, another one opens*. It has been good for our people. But, of course, the taxpayer would love for us . . . I would certainly like to have that \$1 [million] to 2 million, because as we know that is three to six buses. So we are looking about that and we are having conversations about it.

There was talk about the bus schedule being for 18 months. And I did state on Wednesday that we are very close to making an announcement. And we will have an announcement next week, so look for that. As I said in this House, I am very proud that the

final rosters were put together by our Bermudian people, which was certainly a pleasure and a proud moment, and we will talk about that more next week. But that will be done, and it is for 18 months. It is for 18 months. And what we will do is, as soon as the announcement is made next week, we will start working on the schedule in the future. So, hopefully, we will see the end to cancellations, even with our reduced fleet down to 50 buses.

**Ms. Leah K. Scott:** So if I could just ask one question?

**Hon. Zane J. S. De Silva:** Sure.

**Ms. Leah K. Scott:** So the 18 months is just going to be . . . and forgive me if I am not understanding, that will just be a solid 18 months? There is not going to be a stop for the winter schedule or a summer schedule—

**Hon. Zane J. S. De Silva:** Nope.

**Ms. Leah K. Scott:** It is just going to go straight through?

**Hon. Zane J. S. De Silva:** No. I mean, they call it . . . it is called a “winter schedule,” but it is almost like the “night train” that we used to refer to or “night run” or—

**Ms. Leah K. Scott:** Okay.

**Hon. Zane J. S. De Silva:** —you know, that run. So, yes, it will be for . . . so it is not like, well, *Gee, we’re just announcing the schedule and something—*

*[Inaudible interjection]*

**Hon. Zane J. S. De Silva:** No, it is an 18-month period, yes.

**Ms. Leah K. Scott:** Okay.

**Hon. Zane J. S. De Silva:** So we should be, going forward, my . . . you know, touch wood when we say it. We should see the end of the cancellations.

**Ms. Leah K. Scott:** Okay.

**Hon. Zane J. S. De Silva:** Which, I think, everyone . . . all of us . . . all of us are dying to see.

With regard to taxis, Uber and Lyft, we currently have what we call in Bermuda, Hitch. I do not know if you have ever heard about it.

**Ms. Leah K. Scott:** I used it once.

**Hon. Zane J. S. De Silva:** Yes. So we do have Hitch, which is very similar to that, which, I think, does help. I

know there are a lot of people that are using it now. In fact, I have used it myself. So it is an option that we have. And I think we are all aware of the complaints from people about taxi services in the country.

And I think that the much-talked about Green Paper on Transportation is coming sooner than we all think. So just watch that space. I am not going to say when you are going to get it, but I will tell you what, I have a draft.

*[Inaudible interjection]*

**Hon. Zane J. S. De Silva:** Sure.

**Ms. Leah K. Scott:** Is Hitch only utilised for taxis, though? I think Uber and Lyft you can use your own car, your own vehicle, to transport people. And I am just asking because I am not sure if Hitch is only for registered taxis in Bermuda as opposed to personal vehicles.

**Hon. Zane J. S. De Silva:** Yes, as far as I am aware it is for registered taxis. As far as I am aware, okay?

Let us see, where was I? Green Paper, right. Abandoned cycles and cars, we talked about that. We are looking at increasing those fines, too, I think I may have mentioned.

Revenue from minicars, I may have that answer here. I will get to that in a second.

I think you asked a question about the 14 buses that are being refurbished and the extended life. That that is being done. In fact, we have finished. We have completed those 14, and the extended life is estimated to be about five years, so that is done.

The taxis and minibuses will continue for Horseshoe Bay. And that is, as we know, as far as the minibuses and taxis . . . they are private businesses. So, I see no reason why that will not continue. I think the operators of those are very, very happy, indeed, when the cruise ships start pulling in.

Okay, we talked about the fare media that is coming, that is on the way. You had asked about the \$3 million capital being reduced to \$1.5 for the new, and that is correct. That is what that is for and those buses are being ordered as we have . . . you know that we have received a few last year, four last year, and we have got eight coming this year.

Then the *Millennium* . . . we know that we were paying about \$1.5 million a year for that . . . well, \$1.5 million for five months. And that is discontinued, so we will not be doing that anymore. Whilst we are on that, I think there was a question about the tugs and ferries and our tugs. I was fortunate enough to have a tour of the tug boats by the director, Mr. Rudy Cann. He took me up and I met the guys, walked through the tugs, looked at the engines and whatnot. And whilst I am at it, I think those guys do a phenomenal job, considering the age of the fleet, and we are currently looking at ways in which we might be able to

get new tugs, whether it be through leasing and/or maybe through the infrastructure fund or, you know, some other means. But they definitely . . . we . . . I told the director that we are going to get those things replaced this year come hell or high water.

We got to get it done because international standards, as you know, continue to rise. And whether we can make do and put some Band-Aids on it or not, it is not going to meet international standards. And we cannot have that.

*[Inaudible interjection]*

**Hon. Zane J. S. De Silva:** Why has the . . . I think . . . well, I will get to that in a moment. I think it is . . . we did do some cruises and things like that. I think that was . . . was that right, Mr. Cann? Yes, yes, so we have done some cruises and that is where the revenue comes from.

With regard to the Ill Code, [International Maritime Organization (IMO) Instrument Implementation Code], you will know that we passed legislation just a couple of months ago. So that has all been done. I do not think we are going to have . . . as I remember fairly well when we talked about that legislation, we are not going to have any problem at all meeting the audit deadline for that. We will be just fine.

There was a question about the staff that was from the former emissions operation. I think all but one, one lady I think was a little "experienced." Let us put it that way. I will not say she was . . . she may be a senior, but I think she has agreed to stay on for several months just during the transition. And I think all but one of the other staff have been absorbed in the operation. So, we do not have any . . . we will not have any challenges there, I do not think.

Staff of nine at the Maritime Safety and Security. It was a new post you had asked about and it is a temporary post. It is a temporary two-year post that is being filled while the marine and staff member has been seconded to the BSMA for the Ill Code. That has been done.

A question about staff for the boats and moorings—three staff. Difficult to address all the illegal moorings, but we have had that conversation and we are going to look to doing something about it. In fact, that was one of the first things, I think, at one of our first meetings, director, you had said that we have a challenge with that. And I said, well, we are going to get a little bold and aggressive. So, we will do that.

The *Bermudian* refit—yes, it is underway, and it is worth it to refit it. And you had asked about the local cruise profits, I think—

*[Inaudible interjection]*

**Hon. Zane J. S. De Silva:** Yes, and if you . . . yes, yes, one was 25 for local cruises—\$25,000, and \$94,000 for the boat haulage.

*[Inaudible interjection]*

**Hon. Zane J. S. De Silva:** [The] III Code, I think you are very familiar with that. The money that we are spending is for the implementation and training. And, of course, you know, that we have to meet the international standards for that.

Now, there was a question about the transport control, \$500,000 for the testing and equipment. That is for the upgrade, yes. It is for the upgrades for the vehicle testing equipment. It is 10 years for brake testers, damaged main software boards and things like that that need to be replaced. Mini car revenue is estimated to be around \$45,000. Livery cycles, the licence fee is \$3,000. So, from the cycle liveries we will get maybe . . . well, it has got a whole list of breakdown of individuals, I do not think you need that.

The grant was increased from \$25,000 to \$60,000 for the Road Safety Council. That is for us to continue with phase two. And I talked in my brief about Operation Caution, which we have heard a lot this week in particular. And, of course, unfortunately we had another death last week, as we all know. So we have to continue to try to . . . I mean, you had asked a question, but we ask that question to ourselves every week. *What can we do? What can we do?* You can make all the laws you want, you can do all the things you want. But you cannot, you know . . . if someone wants to gun it, they are going to gun it. And it is a shame. But that is the life we live.

Someone had asked about the oil, the change of oil, and is it cleaner and, of course, it will make a difference. And we should see that in terms of maintenance costs and things like that.

The cycle parking up in Dockyard—that is a WEDCO . . . they control that. I think it was a question about the cycle parking turning into a car park or vice versa. Yes, that is all WEDCO.

And I think I talked about it, the tug review . . . we did do that. And I think that might be it for now. Let me see what else we have here.

*[Inaudible interjections]*

**Hon. Zane J. S. De Silva:** The ferry supervisor? Okay, well I got about 10,000 papers and because they are not in alphabetical order, let me see if I can find it.

**Ms. Leah K. Scott:** Could I just ask one more question, Minister?

**Hon. Zane J. S. De Silva:** Sure.

**Ms. Leah K. Scott:** Under TCD, page B-204, Administration. TCD oversees garages and gas stations and cycle liveries to ensure they are in compliance with their permits. How many were not compliant for this year, and what is the consequence for not being compliant? Is it a fine? Do they get closed down? Do they have a certain amount of time to get things back in order? What are the consequences of them not being in compliance?

**Hon. Zane J. S. De Silva:** Okay, Mr. Outerbridge is a ferry pilot, and that is where he has gone. He has gone back to being a ferry pilot, and all the other activities on the ground will be covered by DPT.

**Ms. Leah K. Scott:** Okay.

*[Inaudible interjections]*

**Ms. Leah K. Scott:** The steel buoys at Two Rock Passage that were being redeployed—

**Hon. Zane J. S. De Silva:** Yes. They have been done.

**Ms. Leah K. Scott:** Okay.

**The Chairman:** Minister?

**Hon. Zane J. S. De Silva:** Yes?

**The Chairman:** Would you like to move the head?

**Hon. Zane J. S. De Silva:** Oh, you have another question?

**The Chairman:** No. Okay. Sorry.

**Ms. Leah K. Scott:** The United Nations Safety of Life at Sea, SOLAS convention—there was an increase in the repairs and maintenance to the radar and radio communication system. Was that sufficient? Will it extend the life of that system? Do we need to get another one, or everything is chill?

**Hon. Zane J. S. De Silva:** Yes, it will, yes.

**Ms. Leah K. Scott:** Okay.

**Hon. Zane J. S. De Silva:** Yes.

**The Chairman:** Would anyone else like to speak to the heads? Member from [constituency] 31 *[sic]*. You have the floor, [constituency] 30—sorry.

**Ms. Leah K. Scott:** I had to think myself!

*[Laughter]*

**Ms. Leah K. Scott:** The VHF coastal radio system. It was proposed that that was going to be replaced. Has that been replaced?

**Hon. Zane J. S. De Silva:** Yes.

**Ms. Leah K. Scott:** Yes?

**Hon. Zane J. S. De Silva:** Yes, that has been replaced.

**Ms. Leah K. Scott:** Okay. And then in terms of the maritime safety and security measures that were going to be in line with the recommendations contained in the national security review, I just ask to be reminded of (and you can do this offline) what the recommendations are, how many of them have been implemented and how many are outstanding. And it does not have to be today.

Night pilotage?

**Hon. Zane J. S. De Silva:** That is being reviewed.

**Ms. Leah K. Scott:** Night pilotage? Okay. And then, the passenger load studies with a view to reducing fuel consumption, have those studies been conducted?

**Hon. Zane J. S. De Silva:** Yes. Yes, they have.

**Ms. Leah K. Scott:** Okay. Oh . . . the EVR—

*[Crosstalk and laughter]*

**Ms. Leah K. Scott:** Okay—

**Hon. Zane J. S. De Silva:** You want me to just—

**Ms. Leah K. Scott:** You want to give some answers?

**Hon. Zane J. S. De Silva:** Go ahead, yes—

**Ms. Leah K. Scott:** Okay, the fuel savings that were expected to be achieved during the budget year as a result of the revised ferry schedule . . . were those achieved, and what was the amount?

Yes? Okay.

**Hon. Zane J. S. De Silva:** Yes, yes, the—\$200,000, yes, yes, \$200,000. I believe that is correct, is it not? Yes. Thank you, director and PS. Thank you very much.

*[Microphone off]*

*[Crosstalk and laughter]*

**Ms. Leah K. Scott:** We still have a little ways to go.

The EVR system, that is going to be functioning . . . oh, I was asking about what the revenue loss was from the time that the EVR system has not been working until to date.

Abandoned cars, road safety . . . and the printing of the application forms, has there been any challenge for those people who do not have computers? Although there was a reduction, has there been an expense to the department in getting forms for people who do not have them?

*[Pause]*

**The Chairman:** For the listening audience, we are just waiting . . . the Minister is speaking with his technical officers.

*[Crosstalk]*

**The Chairman:** Minister, can you turn on your microphone?

**Hon. Zane J. S. De Silva:** Oh, thank you.

Yes, the forms are still at TCD. With regard to the EVR, we do not know exactly what that is because the courts collect that. But the tickets are \$750 per offence.

*[Inaudible interjection]*

**Hon. Zane J. S. De Silva:** Mm-hmm.

**Ms. Leah K. Scott:** The comprehensive review of the Motor Car Act, in terms of bringing it in line, where are you with that review and when can we expect to see legislation to amend, particularly the areas where the provisions are contrary to the TCD's own policies?

And, under performance measures, the random vehicle inspections—the goal was not achieved and was expected to be met in 2018 and it was not achieved then either. Why?

**Hon. Zane J. S. De Silva:** Those were not achieved; it was just a staffing thing.

**Ms. Leah K. Scott:** Okay.

**Hon. Zane J. S. De Silva:** So, if we are able to get more staff, we can have a little bit more success.

**Ms. Leah K. Scott:** Okay.

**Hon. Zane J. S. De Silva:** What was the other question before that?

Oh, it was the—

**Ms. Leah K. Scott:** The Motor Car Act.

**Hon. Zane J. S. De Silva:** The Motor Car Act. Again, that will come with the green . . . once we get the Green Paper tabled and then we debate that. That is where that will come from.

**Ms. Leah K. Scott:** Once the Green Paper was concluded, there was supposed to be a World Café, like a stakeholder roundtable and that . . . has that happened? Or is it anticipated that that will happen?

**Hon. Zane J. S. De Silva:** Once we get there, there is going to be a lot of consultation over that. Because we are talking about, you know, they are talking about some major changes to an old Act. So, . . . but there will be many, many, many a meeting over that one.

**Ms. Leah K. Scott:** Was a new facilities manager appointed to lead enhancement projects, under page B-210, [line item] 45120?

*[Inaudible interjections]*

**Ms. Leah K. Scott:** No? Okay.

And I think . . . oh, the only other question I have was that the budget for 2018/19 was decreased, sorry, page B-208, business unit 3501, line item 45010. There was a decrease of \$529,000, and it was said that this reduction was due to . . . this was in the funded bus operator positions, and it was said that this reduction was in preparation for the fulfilling of key positions in the department. What were those key positions and were they filled?

And, additionally, over time the budget had been reduced in anticipation of having a more efficient bus schedule, but have we seen a shift because the bus schedule has not come into play in terms of what overtime has had to be paid out?

**Hon. Zane J. S. De Silva:** Obviously, with the reduction in the buses from 80 to 50, there will be a reduction. But you will still have overtime, because you just . . . because of the nightshifts and whatnot, you cannot get away from it.

**Ms. Leah K. Scott:** The Dockyard cradle and whether that is going to be made an official revenue stream from the Government?

**Hon. Zane J. S. De Silva:** It sure is, yes.

**Ms. Leah K. Scott:** I have one more . . . well, maybe not one more, but another question. Page B-200 on repair and maintenance, \$500,000 was allocated to the expansion of the traffic and surveillance systems to improve radar coverage of coastal waters. Has that been money well spent? Was that money actually utilised for that? What has been the result of that?

**Hon. Zane J. S. De Silva:** Yes, it was, and it has been successful, yes.

**Ms. Leah K. Scott:** Thank you, Minister. I think that is everything and thank you for answering all of my questions and thank you to your support team for being here to support you.

**The Chairman:** Is there anyone else that would like to speak to Transport, Heads 30, 34 and 35?  
Minister, you have the floor.

**Hon. Zane J. S. De Silva:** Thank you very much and I would like to thank the Shadow Minister and Deputy Opposition Leader for her questions, and I would like to thank my team once again for the work that they have done and continue to do.

With that said, I would like to move Heads 30, 34 and 35 and be approved as printed.

**The Chairman:** It has been moved that Heads 30, 34 and 35 be approved.  
Is there any objection to that motion?  
Agreed to.

*[Gavel]*

*[Motion carried: The Ministry of Transport, Heads 30, 34 and 35 were approved and stand part of the Estimates of Revenue and Expenditure for the year 2019/20.]*

**Hon. Zane J. S. De Silva:** Madam Chairman, I move that the Committee rise and report progress, and ask for leave to sit again.

**The Chairman:** It has been moved that the Committee rise and report progress and ask for leave to sit again. Is there any objection to that motion?  
No objection.  
Agreed to.

*[Gavel]*

*[Motion carried: The Committee of Supply agreed to rise and report progress, and sought leave to sit again.]*

**House resumed at 4:23 pm**

*[Hon. Derrick V. Burgess, Sr., Deputy Speaker, in the Chair]*

## **REPORT OF COMMITTEE**

### **ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2019/20**

**The Deputy Speaker:** Any objection to the motion that was to rise and report progress?

No objections.

Now, we go on to Bills. I think we have scheduled [Orders Nos.] 3, 4 and 5. We are going to do [Order] No. 4 first, consideration of Good Governance [(Protected Disclosures) Order 2019.]

The Premier—

**Hon. Walton Brown:** I am going to be doing it on behalf of the Premier.

**The Deputy Speaker:** Pardon?

**Hon. Walton Brown:** I will be doing it on behalf of the Premier.

**The Deputy Speaker:** Continue, Minister.

## DRAFT ORDER

### GOOD GOVERNANCE (PROTECTED DISCLOSURES) ORDER 2019

**Hon. Walton Brown:** I move that consideration be given to the draft Order entitled, [Good Governance \(Protected Disclosures\) Order 2019](#) proposed to be made by the Premier under section 3(7) of the Good Governance Act 2012.

Mr. Deputy Speaker, the Order before this Honourable House relates to protected disclosure. Section 2(28)(j) and [section] 29A of the Employment Act 2000 were inserted as section 7 of the Good Governance Act 2011 (the “Act”).

Under this section, a person who makes protected disclosure in good faith and on the premise that they have reasonable grounds to believe that his employer, another employee or he himself have been directed to commit a criminal offence or breach of statutory obligation may do so to a listed person in the Act, namely, the person’s employer, manager or supervisor; a police officer; the Collector of Customs; the Chief Fire Officer, as defined in section 2 of the Bermuda Fire and Rescue Service Act 1982; the Chief Medical Officer, as defined in section 2 of the Public Health Act 1949; the Chief Environmental Health Officer of the Department of Environmental Health; a Safety and Health Officer appointed for the purposes of the administration of the Occupational Safety and Health Act 1982; the Auditor General, appointed under section 88 of the Constitution; the Ombudsman, appointed under section 93A of the Constitution; the Accountant General, appointed under section 4 of the Public Treasury (Administration and Payments) Act 1969; the Director of Project Management and Procurement, appointed under section 32B of the Public Treasury (Administration and Payments) Act 1969; the Director of Internal Audit, appointed under section 3 of the Internal Audit Act 2010; the Chief Immigration Of-

ficer of the Department of Immigration; the Registrar General appointed under section 2 of the Registration (Births and Deaths) Act 1949; the Charity Commissioner for Bermuda, continued under section 7 of the Charities Act [2014]; the Bermuda Health Council established under section 3 of the Bermuda Health Council Act 2004.

Mr. Deputy Speaker, this is commonly known as whistle-blower protection, and the Act stipulates that, because that employee made a protected disclosure, an employer cannot proclaim that this is a valid reason to take disciplinary action, including the dismissal of the employee. Should the employer do so, that employee would have redress and protection under the Act.

Mr. Deputy Speaker, the purpose of this Order is to amend [section 3 of the Good Governance Act 2012] to correct the department name from the Department of Environmental Health to the Department of Health, and to include the Director of the Department as a person to whom a protected disclosure can be made.

Mr. Deputy Speaker, the Order also asks the Manager of Labour Relations, or an inspector designated under section 34 of the Employment Act 2000 as a person to whom a protected disclosure can be made. By including the Manager of Labour Relations or an independent inspector designated under the Employment Act, persons making protected disclosures may do so without fear of prosecution by their employer whilst revising the labour relations section with information to effectively investigate all complaints pursuant to the Employment Act 2000, and will likely result in a speedy resolution of employment related disputes.

Thank you, Mr. [Deputy] Speaker.

**The Deputy Speaker:** Any further speakers?

No speakers?

Minister.

**Hon. Walton Brown:** Mr. [Deputy] Speaker, I move that the draft Order be approved and that a suitable message be sent to His Excellency the Governor.

**The Deputy Speaker:** Are there any objections?

There appear to be no objections.

Approved.

[Gavel]

[Motion carried: The Good Governance (Protected Disclosures) Order 2019, was considered by the House and approved.]

**The Deputy Speaker:** The next order of business is [Order] No. 5, consideration of the Employment (Protected Disclosures) Order 2019 in the name of the Minister of Labour, Community Affairs and Sports.

Minister Foggo, you have the floor.

## DRAFT ORDER

### EMPLOYMENT (PROTECTED DISCLOSURES) ORDER 2019

**Hon. Lovitta F. Foggo:** Yes, thank you, Mr. [Deputy] Speaker.

Mr. Deputy Speaker, I move that consideration be given to the draft order entitled the [Employment \(Protected Disclosures\) Order 2019](#) proposed to be made by the Minister responsible for Labour Relations in exercise of the power conferred by section 29A(5) of the Employment Act 2000.

Mr. Deputy Speaker, much of what you hear was basically said by my colleague who just did it, but nonetheless, I will provide you the purpose of this.

**The Deputy Speaker:** Mm-hmm.

**Hon. Lovitta F. Foggo:** Under the Employment Act 2000, a person who makes a protected disclosure in good faith and on the premise that they have reasonable grounds to believe that their employer, or the employee or he himself has been directed to commit a criminal offence or breach a statutory obligation may do so to the listed persons in the Act, namely (and my colleague had basically named them): the person's employer, manager or supervisor; police officer; Collector of Customs; Chief Fire Officer; Chief Medical Officer; Chief Environmental Health Officer; a Safety and Health Officer; the Auditor General; the Ombudsman; the Accountant General; the Director of Project Management and Procurement; the Director of Internal Audit; the Chief Immigration Officer; the Registrar General; the Charity Commissioners for Bermuda; [and] the Bermuda Health Council.

Mr. [Deputy] Speaker, this Act this is commonly known as whistle-blower protection and the Act stipulates that because an employee made a protected disclosure an employer cannot claim this is a valid reason to take disciplinary action including the dismissal of the employee. Should the employer do so, then the employee would have redress and protection under the Act.

Mr. Deputy Speaker, the purpose of this Order is to amend subsection [(2)](f) to correct the department name from the Department of Environmental Health to the Department of Health, and to include the director of the Department as a person to whom a protected disclosure can be made.

Mr. Deputy Speaker, the Order also adds the Manager of Labour Relations or an inspector designated under section 34 of the Act as a person to whom a protected disclosure can be made by including the Manager of the Labour Relations or an inspector designated under the Act.

Persons making protected disclosures may do so without fear of persecution by their employer, whilst providing the labour relations section with information to effectively investigate all complaints pursuant to the Employment Act 2000. And, of course, this as has been stated by my colleague, should help to facilitate a smoother process with regard to employment disputes.

Thank you, Mr. [Deputy] Speaker.

**The Deputy Speaker:** Minister?

**Hon. Lovitta F. Foggo:** Sorry . . . yes, Mr. [Deputy] Speaker, let me also at least give this House an overview of the Order—

**The Deputy Speaker:** Mm-hmm.

**Hon. Lovitta F. Foggo:** —of the Employment Order 2019—

**The Deputy Speaker:** Continue.

**Hon. Lovitta F. Foggo:** —section [29A](5) of the Employment Act 2000. In respect of protective disclosures corrects the department name from the Department of Environmental Health to the Department of Health and includes the Director of the Department as a person to whom a protected disclosure can be made and, as I said before, as well as the Manager of Labour Relations or a designated inspector.

[Clause] 1 is the standard citation and [clause] 2 amends section 29A of the Employment Act and [clause] 2(2) corrects the name of the department from the Department of Environmental Health to the Department of Health, and adds the Director of the Department of Health as a person to whom a protected disclosure can be made.

Again, just going through it step by step, [clause] 2(3) includes the Manager of the Labour Relations or an inspector designated (if anybody is actually following with the [Draft Order] in front of them. And so I just wanted to make it clear how that [Draft Order] was reading, Mr. [Deputy] Speaker.

Thank you.

**The Deputy Speaker:** Thank you, Minister.

Any further speakers? The Chair recognises the Honourable Member Mr. Pearman. You have the floor.

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

The Opposition is supportive of this Order. Just very, very briefly, for the benefit of the listening public, the concept of protected disclosures is what in the common vernacular we refer to as whistle-blowing—when employees or others discover things that have been wrong in the workplace or elsewhere and they blow the whistle about this. And what this

Order seeks to do, other than some clarifications of titular names, is it seeks to expand the listed persons to whom a person can blow the whistle.

So when you blow the whistle you have to tell someone in a position of authority to trigger the proper process, and that is what this Order does. It is expanding the categories of persons who can be recipients of a blown whistle and be alerted to the wrongdoing. So, this is a positive step in our local Bermuda law to expand in this way. This is a positive step for whistle-blowers and the Opposition is supportive of the Order.

Thank you, Mr. Deputy Speaker.

**The Deputy Speaker:** Thank you, the Honourable Member Mr. Pearman.

Are there any further speakers? The Chair recognises the Honourable Member Scott Simmons.

You have the floor, Mr. Simmons.

**Mr. Scott Simmons:** Mr. Deputy Speaker, I stand in support of the Minister on this particular [Order] as it relates to the relationship that we have with the people that . . . that very many times are reluctant to immerse themselves in situations that they see that there are problems, they see that there are situations that require their immediate attention and even that information that they have, but unfortunately from time to time, they feel that they are insufficient protections for them.

I think that what is wonderful about this, Mr. [Deputy] Speaker, just the broadening of the categories, creating opportunities for them, but also, Mr. Deputy Speaker, it means that we are conscientious enough to recognise that we have to put together this kind of legislation to assist them. And this is what we are trying to do. That is what this actually achieves, and I believe that it is very helpful. So, I thank the Minister for considering the fact that we should increase those categories and that we should include other individuals who have not been covered by this particular piece of legislation.

That is all I wish to contribute, Mr. Deputy Speaker.

**The Deputy Speaker:** Thank you, the Honourable Member Mr. Simmons.

Are there any further speakers? The Chair recognises the Honourable Member Susan Jackson.

You have the floor, Ms. Jackson.

**Ms. Susan E. Jackson:** Thank you, Deputy Speaker.

I just would like to speak to the evolution of whistle-blowing in general in Bermuda, because I certainly do remember, when the legislation was first introduced, that there were incidences where members did wish to divulge information and there was only one path for them to follow in order to proceed with their complaints or their concerns. And in some ways and

places it became super frustrating for the member who was wishing to divulge wrongdoing.

So, the opportunity now that there are other options, that there is a choice of people, personalities, and positions, subject matter experts of which our members can go to share their information offers a broader and more supportive role for the complainant. So I do see this as a very positive move in our whistle-blowing legislation in general.

And I certainly look to make sure that we keep that pathway clear so that someone who does want to speak up in all honesty is able to proceed through that journey and that it is a supportive and comprehensive pathway.

Thank you.

**The Deputy Speaker:** Thank you, the Honourable Member Ms. Jackson.

Are there any further speakers? There appear to be none.

Minister.

**Hon. Lovitta F. Foggo:** Thank you, Mr. [Deputy] Speaker, and thank you to colleagues for their brief comments.

Mr. Deputy Speaker, in this day and age, no one should have fear of retribution or of being ostracised or of being targeted when they are stepping forward to do what they believe is the right thing to do. And so we felt that it was important to provide the Labour Manager as another vehicle for someone to make reports, to do that so that a person would at least enjoy further anonymity in terms of reporting on an incident that they believe is not cogent, I will put it that way.

So, Mr. Deputy Speaker, I just want to end by moving this said draft Order, and asking that it be approved and that a suitable message be sent to His Excellency the Governor.

**The Deputy Speaker:** It has been moved that the Order entitled, Consideration of the Employment (Protected Disclosures) Order 2019, be approved. Are there any objections to that?

There appear to be none.

Approved.

[Gavel]

[Motion carried: The Employment (Protected Disclosures) Order 2019, was considered by the House and approved.]

**The Deputy Speaker:** The next order of business is [Order] No. 3, and it is the second reading of the Proceeds of Crime Amendment Act 2019 in the name of the Minister of Health and spokesman for Legal Affairs, Minister Wilson.

Minister, you have the floor.

**BILL****SECOND READING****PROCEEDS OF CRIME AMENDMENT ACT 2019**

**Hon. Kim N. Wilson:** Thank you, Mr. [Deputy] Speaker.

Mr. [Deputy] Speaker, I move that the Proceeds of Crime Amendment Act 2019 be now read a second time.

Mr. [Deputy] Speaker, I am pleased to introduce to this Honourable House the Proceeds of Crime Amendment Act 2019 to address matters pertinent to Bermuda's compliance with international standards set by the Financial Action Task Force.

Mr. [Deputy] Speaker, the assessment of Bermuda's anti-money laundering and anti-terrorist financing regime began in early 2018, and is now at an advanced stage. This assessment is being conducted by a team drawn from peer jurisdictions and led by the Caribbean Financial Action Task Force, or CFATF. Bermuda now awaits receipt of the second draft of the mutual evaluation report from the assessment team to be followed by a comprehensive written response by Bermuda. As we await the finalisation of the assessment and the publication of the report, the Bermudian authorities continue to proactively work on strengthening the effectiveness of the regime. The amendments contained in this Bill will support the continued enhancement of Bermuda's AML/ATF regime, particularly in the area of international financial sanctions.

Mr. [Deputy] Speaker, during the assessment period, and, indeed, for some time prior to that, Bermudian authorities have worked collaboratively with Government House and the Foreign and Commonwealth Office to enhance Bermuda's compliance with the targeted financial sanctions imposed by the United Nations, the United Kingdom, and the European Union in relation to terrorism, terrorism financing, and the financing of proliferation of weapons of mass destruction. In September of 2018, these efforts culminated in a delegation of functions by the Governor to the Minister of Legal Affairs to support more focused domestic attention on these international obligations. Consonant with those efforts, the Government also took the necessary steps, also in 2018, to amend the AML/ATF legislation to require supervisory authorities to begin to monitor regulated entities and to ensure that they are compliant with these international financial sanctions' obligations.

Mr. [Deputy] Speaker, the Bill amends the following: the Proceeds of Crime (Anti-Money Laundering and Anti-Terrorist Financing Supervision and Enforcement) Act 2008 and the Financial Intelligence Agency Act 2007.

Mr. [Deputy] Speaker, the amendments to the Proceeds of Crime (Anti-Money Laundering and Anti-

Terrorist Financing Supervision and Enforcement) Act 2008 will strengthen the enforcement of international financial sanction obligations. This will be achieved by empowering supervisory authorities to impose penalties as to the kinds of consequences for breaches of such obligations. The amendments will apply in relation to a range of penalties, which currently exist in the Act, thus ensuring the supervisory authorities will have a variety of penalties to impose to match the nature and seriousness of a specific breach.

The international standards, Mr. [Deputy] Speaker, require that penalties imposed should be effective, proportionate, and dissuasive, and this can be achieved when an array of penalties of different degrees of seriousness are available to be applied.

Mr. [Deputy] Speaker, the amendment to the Financial Intelligence Agency Act 2007 is also necessary to ensure that the FIA [Financial Intelligence Agency] can make relevant disclosures to the Minister to whom the Governor has delegated some of his functions in respect of international financial sanctions. Although at present the FIA can make disclosures to the Minister of Legal Affairs on other matters, the FIA is only in power to make disclosures about international financial sanctions matters to the Governor. The amendment will allow the FIA also to make these disclosures to the Minister of Legal Affairs concerning matters germane to her delegated functions for international financial sanctions.

Mr. [Deputy] Speaker, this legislative initiative is only one part of the work being done by the relevant authorities in Bermuda to ensure that Bermuda is compliant with international financial sanctions and has an effective system for enforcement of these obligations. Other activities being carried out also include the following, Mr. [Deputy] Speaker: the renewed focus of the national anti-money laundering committee's sanctions working group on the consideration of implementation matters in connection with the statutory responsibilities of supervisory authorities in relation to international financial sanctions and the recent delegations of functions, and also to the development of an agreed coordination mechanism in relation to international sanctions against the proliferation of weapons of mass destruction to ensure that Bermuda's financial, professional and other business sectors are not misused by foreign actors to evade UN sanctions in this area.

Mr. [Deputy] Speaker, Bermuda remains committed to working to achieve full compliance with the international standards and this Bill is another step further in the ongoing journey to achieving this.

Thank you, Mr. [Deputy] Speaker.

**The Deputy Speaker:** Thank you, Minister.

Are there any further speakers? The Chair recognises the Honourable Member Mr. Pearman.

You have the floor, Mr. Pearman.

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

This is a time for our Island where the Opposition is very pleased to stand shoulder to shoulder with the Government, because, increasingly, the international pressures, regulatory pressures from the outside world, are becoming more and more pertinent and relevant to the way that we live our lives every day—and not just in the Bermuda business community, but across the Island. And I have spoken about that before in this House.

I have spoken about that before, and this is not the time or place for it, but this is yet another example of how much international regulation does pervasively affect us. And on this particular amending Act, the Opposition is pleased to support the Government.

And I just say this: There are some beyond our shores who seem to misunderstand us entirely. They do not understand what Bermuda is about. They do not understand the expert level of regulation that exists on our Island. They simply do not understand the way that we do business. They have absolutely distorted perceptions of who we are and what we are about, and it is deeply regrettable, because they leap to judgments that are inaccurate and improper, and they leap to judgments that can impact upon us as an Island and as a country.

And so, Mr. Deputy Speaker, we are pleased as the Opposition to support the Government on this amending Bill. Regulation is important, and we are a well-regulated jurisdiction. And we should be proud of that.

Thank you, Mr. Deputy Speaker.

**The Deputy Speaker:** Thank you, Mr. Pearman.

Any further speakers?  
Minister.

**Hon. Kim N. Wilson:** Thank you, Mr. [Deputy] Speaker, and thank you to those Members, those Honourable Members of the Opposition, in particular the Learned and Honourable Shadow Attorney General.

Obviously, as an attorney and as a person that operates within this space, he, on behalf of the Opposition, recognises the importance of Bermuda continuing our obligation to ensure that we are a properly regulated entity and that we take all steps whether or not it includes legislation such as what we are debating this afternoon to ensure full compliance so that Bermuda can, as best as possible, mitigate against money laundering and terrorist financing.

And, with that, Mr. [Deputy] Speaker, I would like to move that this Bill be now committed.

**The Deputy Speaker:** The Bill will be committed.

Honourable Member Ming will take the Chair [of Committee].

**House in Committee at 4:48 pm**

[Mrs. Renee Ming, Chairman]

## COMMITTEE ON BILL

### PROCEEDS OF CRIME AMENDMENT ACT 2019

**The Chairman:** Good afternoon.

Honourable Members, we are now in Committee of the whole [House] for consideration of the Bill entitled the [Proceeds of Crime Amendment Act 2019](#).

I call on the Minister in charge to proceed.

**Hon. Kim N. Wilson:** Thank you, Madam Chairman.

Madam Chairman, in light of the fact that this Bill has three clauses, I would like to move clauses 1 through 3 in their entirety.

**The Chairman:** It has been moved that clauses 1 through 3 be approved. Is there any objection to that motion?

No objection.  
Agreed to.

**Hon. Kim N. Wilson:** Thank you, Madam Chairman.

Madam Chairman, the preamble explains that the Bill seeks to amend the Proceeds of Crime (Anti-Money Laundering and Anti-Terrorist Financing Supervision and Enforcement) Act 2008 as well as the Financial Intelligence Agency Act 2007.

Clause 1 is the citation.

Clause 2 amends the Proceeds of Crime (Anti-Money Laundering and Anti-Terrorist Financing Supervision and Enforcement) Act 2008 by making provisions for the imposition of various types of penalties in respect of breaches by regulated entities of their obligations in relation to international financial sanctions. This will make available a range of sanctions that can be applied in appropriate cases to allow for effective proportionate and dissuasive sanctions and effective enforcement mechanisms in respect of those obligations.

Therefore, Madam Chairman, the amendments will provide the following:

1. Permit the supervisory authorities to impose on regulated entities the civil fines pursuant to section 20 for breaching their legal obligations in relation to international sanctions.
2. Authorise supervisory authorities to revoke the operating licence of a regulated entity as a penalty for breaching their legal obligations in relation to international sanctions.
3. Specify that public censure can be used against regulated entities that breach their legal obligations in relation to international sanctions.

4. Authorise supervisory authorities to petition the court for the winding up of a company or the dissolution of a firm for breaching their legal obligations in relation to international sanctions.
5. Ensure that any decision made to impose any of the disciplinary measures now provided in Chapter 4 of the Act can be subject to publication, including those imposed in respect of real estate brokers, agents and the disciplinary measures added to the Act by way of the amendments made in 2018.

Clause 3, Madam Chairman, amends the Financial Intelligence Agency Act 2007 to provide as follows: To reflect the fact that the Governor has delegated some of his statutory functions in relation to international sanctions to the Minister of Legal Affairs and in consequence authorises the FIA to make appropriate disclosures to the Governor and/or the Minister of Legal Affairs in relation to international sanctions matters as the need dictates.

**The Chairman:** It has been moved that the proposed amendments to all clauses be approved. Is there any objection to that motion?

No objection.  
Agreed to.

*[Motion carried: Clauses 1 through 3 passed.]*

**The Chairman:** Minister.

**Hon. Kim N. Wilson:** Thank you, Madam Chairman. Madam Chairman, I move that the preamble be approved.

**The Chairman:** It has been moved that the preamble be approved.

Is there any objection to that motion?  
No objection.  
Approved.

**Hon. Kim N. Wilson:** 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. Is there any objection to that motion?

No objection.  
Agreed to. The Bill will be reported to the House as printed.

*[Motion carried: The Proceeds of Crime Amendment Act 2019 was considered by a Committee of the whole House and passed without amendment.]*

**House resumed at 4:52 pm**

*[Hon. Derrick V. Burgess, Sr., Deputy Speaker, in the Chair]*

## REPORT OF COMMITTEE

### PROCEEDS OF CRIME AMENDMENT ACT 2019

**The Deputy Speaker:** Any objections to the Bill entitled . . . I lost the Bill now . . . the reading of . . . the Proceeds of Crime Amendment Act 2019?

Any objections?  
There appear to be none.  
Approved.

*[Gavel]*

**The Deputy Speaker:** I think that ends the Order of Business.

Any third readings, Minister?

### SUSPENSION OF STANDING ORDER 21

**Hon. Kim N. Wilson:** I move that Standing Order 21 be suspended to enable me to move that the Bill entitled the Proceeds of Crime Amendment Act 2019 be now read the third time by its title only.

**The Deputy Speaker:** Any objections?  
There appear to be none.

*[Motion carried: Standing Order 21 suspended.]*

## BILL

### THIRD READING

#### PROCEEDS OF CRIME AMENDMENT ACT 2019

**Hon. Kim N. Wilson:** Mr. [Deputy Speaker], thank you. I move that the Bill be now passed.

**The Deputy Speaker:** Any objections to the Bill being approved, passed?

There appear to be none.  
Approved.

*[Motion carried: The Proceeds of Crime Amendment Act 2019 was read a third time and passed.]*

**The Deputy Speaker:** I think that is the end of the business.

Mr. Premier?

## ADJOURNMENT

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

Mr. Deputy Speaker, I move that this Honourable House do now adjourn until Monday, March 11<sup>th</sup> at 10:00 am.

**The Deputy Speaker:** It has been moved that the House be adjourned to Monday, March the 11<sup>th</sup>?

Any objections to that?

**An Hon. Member:** No.

*[Gavel]*

*[At 4:54 pm, the House stood adjourned until 10:00 am, Monday, 11 March 2019.]*

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