



MINISTERIAL STATEMENT

By:

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The Role of the Labour Advisory Council and its Functions

Wednesday, December 1, 2021

Good morning, **Madam President**.

I am pleased to rise today to provide to the Members of this Honourable House an overview of the role and functions of the Labour Advisory Council (the “LAC”) and the work that it will commence in 2022.

Madam President,

The LAC was established in the 1960’s in response to the labour and social unrest that was taking place during that time. It is a non-statutory tripartite Government Board tasked with advancing industrial relations and garnering consensus amongst its members to make recommendations concerning legislative amendments, policies and standards regarding Bermuda’s labour force.

Madam President,

The LAC is chaired by the Minister of Labour and comprises of representatives from the Government, employer groups and worker groups as equal and independent partners, together

seeking solutions to the issues facing Bermuda's labour force through social dialogue.

This form of social dialogue is referred to as 'tripartism' and it is extremely effective as it allows for the views of each side to be taken into consideration when decisions are made, leading to more favourable outcomes for all stakeholders involved.

Madam President,

The LAC meets quarterly and has the ability to meet more frequently where necessary. Sub-committees of the LAC meet more regularly. The LAC will reconvene quarterly meetings in January 2022 and has a robust agenda that I will now share with the Members of this Honourable House. Which include but is not limited to:

1. Further Amendments to the Employment Act 2000;
2. Guidance on Independent contractor Contracts; and
3. Inequalities in the world of work

Madam President,

I. Further Amendments to the Employment Act

The Ministry has identified areas within the Employment Act 2000 where further strengthening of workplace protection is required. The LAC will be asked to review and opine on a policy document in this regard, which includes but is not limited to, the following areas:

- 1. A requirement to notify the Ministry of Labour where an employer intends to engage in mass terminations of more than 20 persons** – This will enable the Ministry to provide the necessary assistance in a timely manner to employers, as it

relates to compliance with the Act, as well as to employees, as it relates to seeking alternate employment and/or retooling them for the labour force;

2. Determining what constitutes the end of a layoff period –

This will ensure that when recalling employees to work, there are measures in place that protect employees from consecutive layoff periods and clearly defining the end of the lay off period;

3. The publication of employment standards –

This will ensure that all employed persons, particularly work permit holders, are aware of their rights and obligations under the Act and who they may contact for assistance;

4. Workplace inspections by the Labour Relations Manager –

This will ensure that employers maintain adequate employment records in accordance with the Act and that employees have the appropriate access.

5. Wage theft protections –

This will strengthen employee protections ensuring that there are adequate provisions to protect employees from employers who:

- a. fail to pay employees for all hours worked,
- b. fail to make appropriate overtime payments,
- c. fail to allocate tips to employees, and
- d. illegally deduct or fail to make the appropriate statutory benefit payments.

Madam President,

II. Provide Guidance on Independent Contractor Contracts

The Ministry has received a number of concerns from workers and members of the public pertaining to unfair contractual terms and employment contracts that seem to take advantage of the current economic climate in Bermuda and persons inability to find suitable and sustainable employment. The Act was amended to address this long standing issue and allows for the Manager of the Labour Relations Section, in consultation with the Labour Advisory Council, to issue guidance for the purpose of determining whether an employment relationship more closely resembles that of an employee than an independent contractor.

The LAC will consider this issue and determine whether it is necessary to issue guidance in this regard and the contents of the same.

Madam President,

III. Inequalities in the World of Work

On 23 November 2021, I attended the International Labour Organization Caribbean Labour Minister's Meeting, in preparation for the 109th Session of the International Labour Conference. The LAC will review and consider the Report submitted to 109th Session of the International Labour Conference entitled Inequalities and the World of Work.

The LAC will consider this report as it relates to Bermuda and will seek to address the following areas:

- The economic and social implications of inequality in the work place;

- the main drivers of inequality inside of the labour market;
and
- what effective responsive policies and measures should be introduced to reduce inequality and promote productivity and growth, including in the context of the recovery from the pandemic.

Madam President,

The Ministry would like to take this opportunity to thank the Members of this Honourable House for the opportunity to address them in this regard.

Thank you, **Madam President.**