



MINISTERIAL STATEMENT

Amendments to the Charities Act 1978 – An Update

**The Hon. Michael J. Scott, JP, MP
Minister of Government Estates and Information Services**

Friday, 3rd February, 2012

Mr. Speaker, I rise this morning to provide for Members of this Honourable House an update on proposed amendments to the Charities Act 1978. Honourable Members will recall that this Government has made a commitment to amend the Charities Act 1978 to give the Charity Commissioners increased regulatory authority and to strengthen the reporting requirements of charities. Additionally, the 2007 Detailed Assessment Report on Anti-Money Laundering and Combating the Financing of Terrorism recommended that the authorities undertake a review of laws and regulations related to non-profit organizations, which include charities, to ensure that they cannot be misused for the purpose of financing terrorism.

Mr. Speaker, Honourable Members will recall that responsibility for charities was reassigned to my Ministry, the Ministry of Government Estates and Information Services, in November 2011 after a brief period within the Ministry of Community Development.

Mr. Speaker, I make reference here to the assignment of the charities portfolio to the Ministry of Community Development as I felt obliged to fulfill the

commitment made to the stakeholders within the charitable sector by the Hon. Michael A. Weeks, former Minister of Community Development. That commitment involved extensive consultation with the stakeholders. To this end, Minister Weeks hosted a Town Hall meeting at No. 6 Shed, Hamilton on 18th October, 2011.

Mr. Speaker, in his opening remarks at that meeting, Minister Weeks applauded the work and the dedication of the individuals who tirelessly laboured within the charitable sector. He acknowledged that the Government, with its myriad programmes and limited resources, cannot fulfill all of the needs of our community, hence the immense value of charities within our community. He heralded the charitable organizations as vital partners in the unrelenting pursuit of addressing the complex needs of our citizens.

Mr. Speaker, when this banner was handed to me, I too, heralded the contributions made to this sector by our charitable organizations. Continuing the mandate of my colleague, I hosted a stakeholder meeting with representatives of these charitable organizations at the Leopards Club on 17th January, 2012. My primary objective at that meeting was to meet with and solicit the views of the small charities, commonly known as the 'mom and pop' charities, as larger charitable groups had been well represented at the No.6 Shed meeting.

Mr. Speaker, I cannot emphasize too strongly the significance, the enormous value, of these small charities in our Bermudian society. During our meeting at the Leopards Club, I described the representatives of these smaller charities as the 'drum majors' for social justice. And they are! In my opening address, I stated that there must be in place adequate legislation and regulation of the charitable sector where accountability is the focus. However, I also stressed that the Government was ever mindful not to place an onerous burden of administration on our charitable sector, particularly on our small charities.

Mr. Speaker, I am very grateful for the participation of the charities at these stakeholder meetings and for submissions sent to our charities@gov.bm e-mail account. These submissions will be given their due consideration and, where applicable, folded into the proposed amendments.

Mr. Speaker, I shall soon place the proposed amendments before Cabinet for its consideration. In the meantime, consultation will be ongoing as we seek to refine the process of regulating this constantly evolving charitable sector whilst simultaneously maintaining Bermuda's attractiveness as a domicile within which our charities can operate and thrive.

Mr. Speaker, I am pleased to advise the Members of this Honourable House that it is my hope that they will be called upon to consider amendments to the Charities Act 1978 during the current Legislative Year.

Thank you, **Mr. Speaker**.