



Ministerial Statement

Sen. the Hon. Michael M. Fahy, JP

Motor Insurers 10% Discount Initiative

Wednesday December 10, 2014

Madam President, as 2014 comes to a close, I would like to take this opportunity to provide my Senate Colleagues with an overview of what the Economic Tripartite Committee, for which I serve as Chairman, has been able to accomplish this year.

You may recall the Economic Tripartite Committee comprises of members from the Bermuda Trade Union Congress (the BTUC), the Chamber of Commerce, the Bermuda Hotel Association, the Bermuda Employers Council, along with certain Government Departments.

Madam President, the Committee has held many meetings in 2014 and over the course of this period the members of the Committee have been extremely passionate about working with the Government to get the Island financially back on track.

In addition to the Committee's frank dialogue, the Committee has had presentations from many groups that include:

1. The Grocers in relation to the 10% Discount Initiative;
2. The Ascendant Group (Belco) regarding their tiered utility charges;
3. The Department of Energy relating to fuel and energy charges and how these rates are derived;
4. The Atlantic Energy Solutions Group Limited and their proposal to offer an alternative energy solution to the traditional fossil fuels; to,
5. Consumer Affairs relating to speculation of price gouging by the grocers when this seemed to take center stage earlier this year. And on that point, I am happy to report that the two Reports provided by Consumer Affairs after their investigations proved this was not the case.

I also challenged the members of the Committee to provide me with recommendations for cost savings as well as revenue generation – which I subsequently forwarded on to the Ministry of Finance for its review.

Madam President, some of the recommendations coming out of the Economic Tripartite meetings were for the shared sacrifice to extend beyond what the Grocers and Belco were offering.

To that end, I committed to following up with the local insurance companies to determine if there was anything they could do to assist the

BTUC members in light of the Grocers' 10% discount initiative which is coming to an end in the first quarter of 2015 as announced in the most recent Speech from the Throne.

As the Chair of the Committee, I met with the five largest local insurers of motorcycles, motorcars and home insurance over the past few months to determine what they could offer by way of financial relief for Government employees in the first instance.

To that end, I am happy to report that after much discussion all five companies have agreed to the following:

1. To offer a 10% discount to all BTUC members relating to their motorcar, motorcycle and home insurance;
2. To offer this discount for a two (2) year period commencing January 1st 2015; and,
3. That the BTUC members would have to produce some form of identification to take advantage of this offer.

Madam President, for agreeing to do offer the abovementioned discount, I would personally like to thank:

1. Mr. John White, CEO of the BF&M Group of Companies;
 2. Mr. Alan Peacock, the CEO of Colonial Insurance Group of Companies;
 3. Ms. Alison Hill, the CEO of the Argus Group of Companies;
 4. Mr. Scott Kitson, the Chairman of the Kiston Group of Companies;
- and,

5. Mr. William Madeiros, the Executive Vice President and General Manager of Freisenbruch-Meyer Insurance Services Ltd.

Madam President, it is this type of commitment of shared sacrifice shown by the Grocers, and in particular, the *Lindo's* Grocery Stores, the *MarketPlace* Group of Stores, the *Supermart* on Front Street, as well as *Belco* and now the local insurers, that has convinced me that all of these companies are all taking Bermuda's financial recovery extremely seriously. For that I am extremely grateful!

To that end, I would challenge any other organization out there to contact me if they wish to take part in any initiative that will not only help the BTUC members in these challenging economic times, but assisting residents generally as we are all in this together.

Thank you **Madam President**.