



BERMUDA HOUSE OF ASSEMBLY

Official House Minutes

February 21, 2014

Electronic Version

**Hon. K. H. Randolph Horton, JP, MP
Speaker**

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**Proceedings
of the
Honourable House of Assembly
Session of 2013-2014**

No. 9

Friday, February 21st, 2014

Members Present: His Honour the Speaker, Jeanne J. Atherden, Kenneth L. Bascome, Marc A. R. Bean, Glenn A. Blakeney, Walton D. Brown, Derrick V. Burgess, David G. Burt, L. Craig Cannonier, Rolfe P. Commissiong, Shawn G. Crockwell, Zane J. S. DeSilva, Michael H. Dunkley, Lovitta F. Foggo, Wayne L. Furbert, Dr. Edmund G. Gibbons, Patricia J. Gordon-Pamplin, Susan E. Jackson, Dennis P. Lister, Terry E. Lister, Trevor G. Moniz, Nandi S. Outerbridge, Mark J. Pettingill. Everard T. Richards, Sylvan D. Richards, Walter H. Roban, Suzann Roberts-Holshouser, Leah K. Scott, Michael J. Scott, R. Wayne E. Scott, W. Lawrence Scott, N. H. Cole Simons, Glenn C. Smith, Jefferson C. Sousa, Michael A. Weeks, Kim N. Wilson.

10:05 a.m. Prayer

Confirmation of Minutes:

Minutes to the Meeting of the 14th of February, 2014, were confirmed.

Announcements by the Speaker:

His Honour the SPEAKER made a Statement regarding the honour and standards of the Legislature. His Honour the Speaker also cautioned Members to remember to live up to the expectations of this Honourable House. His Honour the Speaker also informed Members that he will be speaking privately to some Members of the House within the next week.

10:08 a.m.

Papers and other communications to the House:

MR. E. T. RICHARDS read the following communication to His Honour the SPEAKER.

TO HIS HONOUR THE SPEAKER:

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

"The Bermuda Economic Review 2013"

MR. E. T. RICHARDS
Minister of Finance

Sessions House,
21st February, 2014.

10:10 a.m.

Statements by Ministers and Junior Ministers:

MR. E. T. RICHARDS presented the Estimates of Revenue and Expenditure for 2014/2015, together with the Budget Statement in support thereof.

MR. E. T. RICHARDS informed the House under Standing Order 39 (3) that the debate in the House would be resumed on Friday, 28th February, 2014.

11:54 a.m.

Question Period:

MR. S. G. CROCKWELL provided written answers to questions posted by Mr. W. L. Furbert on overseas travel:-

Q1 Would the Honourable Minister please inform this Honourable House of the number of overseas trips the Minister has taken in an official capacity at the taxpayers' expense for the period December 18, 2012- February 12, 2014?

A1. Seventeen (17)

Q2 Would the Honourable Minister inform this Honourable House of the purpose of each trip and who accompanied him on each trip?

A2. Please see the related details below.

<u>Trip #</u>	<u>Trip Purpose</u>	<u>Accompanying</u>
1	Caribbean Tourism Organisation conference	Minister of Tourism Development & Transport (MTDT)
		Director, Bermuda Department of Tourism (BDOT)
		Special Advisor to the Minister MTDT
2	Bermuda Tourism brand launch, Meetings with British Airways, International Tourism Trade Show	Minister MTDT
		Director, Bermuda Department of Tourism (BDOT)
3	Meetings at PGA Tournament	Minister MTDT
		Minister of National Safety
		Premier
4	Meetings with WestJet and Air Canada	General Manager, Department of Airport Operations (DAO)
		Permanent Secretary MTDT
	Meetings with WestJet and Air Canada, UK Tourism Roadshow	Minister MTDT
	UK Tourism Roadshow	Director BDOT
5	Bermuda night at Yankee Stadium	Director BDOT
	Bermuda night at Yankee Stadium; Meetings with Norwegian Cruise Lines; Inaugural sail of Norwegian Breakaway	Minister MTDT
	Meetings with Norwegian Cruise Lines; Inaugural sail of Norwegian Breakaway	Permanent Secretary MTDT
		Premier
		Staff Transportation Consultant
6	Council of Tourism Ministers Conference	Director BDOT
		Minister MTDT
7	Meetings with US Airways and AirTran Airways	Director BDOT
		Minister MTDT
		General Manager DAO
8	Meetings at PGA Tournament	Director BDOT
		Minister MTDT
9	Visit to Department of Tourism	Director BDOT
		Minister MTDT
		Permanent Secretary MTDT
10	Meetings with prospective hotel developers	Minister MTDT
		Permanent Secretary MTDT
11	KPMG Infrastructure Summit, Miami Florida	Minister MTDT
		Permanent Secretary MTDT
12	Medical Tourism conference	Minister MTDT
13	Gaming conference	Minister MTDT
14	Meetings with Delta Airlines	Director BDOT
	Meetings with Delta Airlines and United Airlines; Meeting with Boeing executives	General Manager DAO
	Meetings with Delta Airlines and United Airlines; Meeting with Boeing on airspace feasibility.	Minister MTDT
15	Caribbean Tourism Organisation meeting	Minister MTDT
16	Gaming fact-finding trip	Attorney General
		Minister MTDT
		Policy Analyst, Attorney General's Office
17	Meetings with Norwegian Cruise Lines	Minister MTDT
		Premier
		Staff Transportation Consultant

Q3 Would the Honourable Minister inform this Honourable House of the total cost of each trip, itemizing the cost of airfare, accommodations, meals, ground transportation, entertainment and any per

diem allowance for the Minister and those persons, (if any), who may have accompanied him?

A3 Please see the related details below.

<u>Trip</u>	<u>Trip Purpose</u>	<u>Airfare</u>	<u>Accomm</u>	<u>Meals /Subsist</u>	<u>Per Diem</u>	<u>Ground Transport</u>	<u>Trip Total</u>
1	Caribbean Tourism Organisation conference	3,160	4,138	1,005	0	0	8,304
2	Bermuda Tourism brand launch; Meetings with British Airways; International Tourism Trade Show	11,205	4,258	855	0	202	16,519
3	Meetings at PGA Tournament	1,668	4,312	217	1,050	3,028	10,276
4	Meetings with WestJet and Air Canada; UK Tourism Roadshow	16,817	11,768	2,446	0	332	31,363
5	Bermuda night at Yankee Stadium; Meetings with Norwegian Cruise Lines; Inaugural sail of Norwegian Breakaway	2,384	6,311	1,531	0	212	10,438
6	Council of Tourism Ministers Conference	908	2,577	847	0	0	4,332

7	Meetings with US Airways and AirTran Airways	3,123	1,377	656	0	129	5,285
8	Meetings at PGA Tournament	1,848	5,154	837	0	0	7,840
9	Visit to Department of Tourism	1,369	429	175	0	0	1,971
10	Meetings with prospective hotel developers	1,198	1,473	245	0	0	2,917
11	KPMG Infrastructure Summit	1,956	741	68	0	57	2,822
12	Medical Tourism conference	1,168	2,053	219	0	0	3,441
13	Meeting with Gaming Technology Specialist	2,045	0	0	0	0	2,045
14	Meetings with Delta Airlines and United Airlines; Meeting with Boeing on airspace feasibility	1,692	1,489	660	0	17	3,858
15	Caribbean Tourism Organisation meeting	1,846	996	61	0	0	2,902
16	Gaming fact-finding trip	38,842	7,446	509	1,770	308	48,876
17	Meetings with Norwegian Cruise Lines	2,142	831	0	750	231	3,955

MR. E. T. RICHARDS provided written answers to questions posted by Mr. E. D. G. Burt payroll tax et al:-

12 calendar quarters (March 31, 2011 – December 31, 2013)?

Q1. Will the Honourable Minister please share with the Honourable House the total amount of persons contributing to the Contributory Pension Fund at the end of the last

A1. The total amount of persons contributing to the Contributory Pension Fund at the end of the last 12 calendar quarters (March 31, 2011 – December 31, 2013) are as follows:

Quarter-end	No. of Persons Contributing to CPF
31-Mar-11	36,169
30-Jun-11	35,929
30-Sep-11	35,732
31-Dec-11	35,322
31-Mar-12	35,271
30-Jun-12	34,464
30-Sep-12	34,271
31-Dec-12	33,780
31-Mar-13	33,562
30-Jun-13	33,692
30-Sep-13	33,384
31-Dec-13	33,137

Q2. Will the Honourable Minister please share with the Honourable House the total amount of entities (exempted undertakings, all other categories) filing a payroll tax return for each of the last 12 payroll tax quarters (April 15, 2011, - January 15, 2014)?

A2. The total amount of entities (exempted undertakings, all other categories) filing a payroll tax return for each of the last 12 payroll tax quarters (April 15, 2011, - January 15, 2014) are as follows:

Tax Qtr	Payroll Tax Filing Statistics	
	Exempt	Local
03/2011	410	4,747
06/2011	416	4,674
09/2011	415	4,574
12/2011	419	4,485
03/2012	417	4,598
06/2012	414	4,544
09/2012	408	4,430
12/2012	415	4,369
03/2013	409	4,485
06/2013	401	4,311
09/2013	396	4,157
*12/2013	-	-

*** Note that q/e 12/2013 is not fully processed**

Q3. Will the Honourable Minister please share with the Honourable House by industry the amount of payroll tax filed but not collected during each of the last 12 payroll tax quarters (April 15, 2011 – January 15, 2014) from hotels, bars/nightclubs, retail due to the payroll tax relief extended to these industries?

12 payroll tax quarters (April 15, 2011 – January 15, 2014) from hotels, bars/nightclubs, retail due to the payroll tax relief extended to these industries is included in the attached spreadsheet.

A3. By industry the amount of payroll tax filed but not collected during each of the last

Payroll Tax Filed but not collected during the tax periods 03/2011 -12/2013 due to payroll tax relief/concessions

	03/11	06/11	09/11	12/11	03/12	06/12	09/12	12/12	03/13	06/13	09/13	12/13*	TOTAL
Retail				5,001,316.27	4,713,050.00	4,881,101.56	4,921,658.93	4,996,331.72	4,661,802.28	4,791,594.70	4,802,390.89		38,769,246.35
Restaurant	674,327.51	620,854.26	631,783.15	634,196.42	594,875.69	719,882.88	727,461.82	684,963.53	614,365.22	731,810.72	761,561.61		7,396,082.81
Hotel	1,981,588.69	2,364,005.26	2,541,474.17	1,971,501.99	1,607,529.66	2,337,215.30	2,576,949.36	1,878,346.80	1,589,293.02	2,188,533.17	2,461,736.82		23,498,174.24
													\$ 69,663, 503.40

**Note that q/e 12/2013 is not fully processed*

MS. P. J. GORDON-PAMPLIN provided written answers to questions posted by Mr. T. E. Lister on the Springfield facility:-

notice on Government detailing works to be carried out at the property. Government was given the option to carry out the works at a cost of \$489,936 or to surrender the lease.

Q1. Will the Honourable Minister please provide this Honourable House of the reason for withdrawing the Sandy’s Community Center from the Springfield facility in Sandy’s parish?

Government was not prepared to bear further costs on the property and chose to surrender the lease at a cost of \$150,000 and relocated the Community Centre to other premises thereby saving some \$339,936.

A1. The Department of Youth, Sport and Recreation’s West End Community Centre occupied Springfield based on a 99 year lease with the Bermuda National Trust commencing December 1998 at \$1.00 per annum. Government was responsible for all repairs in respect of the property. However, any repairs needed to be undertaken with consideration to the historic and architectural nature of the Premises, which is a Grade 1 listed property. The Bermuda National Trust required that all repairs be carried out using like for like materials. Given the age and historical nature of the Premises this proved considerably expensive. After having spent \$750,000 on bringing the property into good repair, in January 2012 the Landlord served an official

Q2. Will the Honourable Minister please provide this Honourable House with an accounting of the Capital Funds that have been spent on the buildings at Springfield since Government entered into the lease with the Bermuda National Trust?

A1. The buildings at Springfield were in a very poor state of repair and had been unused since 1993. Repair works at Springfield included strengthening floors, partial new roof, two new public washrooms, and new kitchen cabinets, new electrical, fire detection and security systems and air conditioning, and were estimated to cost a total of \$750,000. The work was planned to be done in two phases. Phase 1 involved renovations to the main building estimated at \$350,000. Phase 2 was estimated at \$400,000 at that time. The works were completed but as this was some 14 years ago

it is has not been possible to ascertain the breakdown of costs in time for this response.

MR. R. W. E. SCOTT on behalf of Ms. P. J. Gordon-Pamplin provided oral answers in the House to questions posted by Ms. L. F. Foggo on the PRC's and statistics concerning the Economic Development Act.

MR. T. E. LISTER asked Mr. R. W. E. Scott a supplementary question.

MR. T. E. LISTER asked Mr. R. W. E. Scott a second supplementary question.

MR. M. J. SCOTT asked Mr. R. W. E. Scott a supplementary question.

MR. M. J. SCOTT asked Mr. R. W. E. Scott a second supplementary question.

MR. D. P. LISTER asked Mr. R. W. E. Scott a supplementary question.

MS. K. N. WILSON asked Mr. R. W. E. Scott a supplementary question.

MS. K. N. WILSON asked Mr. R. W. E. Scott a second supplementary question.

MR. T. E. LISTER asked Ms. P. J. Gordon-Pamplin a second question.

MR. T. E. LISTER asked Ms. P. J. Gordon-Pamplin a supplementary question.

MR. D. P. LISTER asked Ms. P. J. Gordon-Pamplin a supplementary question.

MR. T. E. LISTER asked Ms. P. J. Gordon-Pamplin a second supplementary question.

Orders of the Day:

Order numbers 1-9 were carried over.

12:10 p.m.

MR. L. C. CANNONIER moved that the House, adjourn to Friday, February 28th 2013 at 10:00 a.m., which was agreed to.

MR. L. C. CANNONIER moved that the House do now adjourn, which was agreed to.

12:10 p.m.

The House adjourned to Friday 28th February, 2014 at 10:00 a.m.