

Speech *from the* Throne

On the Occasion of the Convening of the Legislature

Serving the People



Delivered by

Her Excellency the Governor

Ms. Rena Lalgie

Friday, 3 November 2023



SPEECH FROM THE THRONE 2023

DELIVERED BY
HER EXCELLENCY THE GOVERNOR
MS. RENA LALGIE

3RD NOVEMBER 2023

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; fourteen months ago, 289 S1 students entered The Berkeley Institute and CedarBridge Academy as the first of the Island's young people to undertake signature learning programmes. This education reform milestone was achieved after almost three years of work. This school year of 2023 began with students of Francis Patton and Purvis Primary Schools entering the first Parish Primary Schools, fulfilling the Government's promise to make education more equitable, with high-quality education accessible to all young people.

It takes time to deliver and get right but the Government maintains that education reform is vital for the growth and development of our community. Education is the foundation of any society's success.

In this Session, the Government will continue the work of education reform through the establishment of the transition teams for the next two Parish Primary Schools, earmarked for Elliot Primary and Harrington Sound Primary, and the next signature programme in hospitality and tourism and education services, earmarked for Sandys Secondary Middle School. The Legislature will be invited to consider the promised Bill to establish an Education Authority.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; in his 2023 Annual Report, the former Chief Medical Officer addressed health inequalities in Bermuda. With reference to the four major risk factors common to the leading chronic diseases, namely tobacco use, excessive alcohol use, poor nutrition and physical inactivity, Dr Ayoola Oyinloye says:

“In Bermuda, there is a lack of robust population-wide data that links the prevalence of these risk factors with socioeconomic data. There is evidently a requirement for further evidence-based policies to address these risk factors, particularly for the most deprived, who are likely to be at greatest risk.”

The Ministry of Health will undertake the STEPS 2024 population health survey to provide that evidence and establish public health priorities, tracking the trends and magnitude of these risk factors, and leading the fight to prevent chronic non-communicable diseases.

In this Session, the Legislature will consider the promised Bill to support data collection to control medical “co-pays”. This critical step on the journey towards universal healthcare will be accompanied by the establishment of the core healthcare services to be included in a universal healthcare benefits package for all residents and a full assessment of the demand and cost to deliver those core services. Access to essential, quality health services without suffering financial hardship is key to ensuring improved preventative care.

Dr Oyinloye again sets the stage for where we find ourselves as a society:

“Socio-economic disparities are driving unequal social determinants for health, particularly for the most vulnerable groups in society, whilst the current healthcare system is exacerbating these inequalities....those with the greatest health needs appear to have the least access to the healthcare system.”

Later in his report, Dr Oyinloye describes the imperative of the moment in healthcare:

“Bermuda now stands at a crossroads with enormous opportunities for tackling health inequalities. Covid-19 has identified Bermuda’s vulnerabilities. The Bermuda Health Strategy 2022-2027 and Universal Health Coverage (programme) present a chance for Bermuda to reform its health system to become fairer, more effective, and better value for money for all who live in Bermuda. The opportunity is ours to grasp to ensure Bermuda can achieve ‘healthy people in healthy communities.’”

A sad remnant of the pandemic has been the delay in the certification of death of those who succumbed during that period. This has extended to other instances of death such that families cannot settle their loved one’s affairs in circumstances where a doctor or a GP is not prepared to certify the cause of death. To assist these families and others who may suffer such losses, the Government will amend the Registration (Births and Deaths) Act 1949 to revise and modernize the Form E death certificate and in appropriate circumstances make provision for a short form death certificate which will allow for urgent estate matters to be settled.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; amid all that challenges our community, artists and “creatives” continue to be inspired and contribute to the tapestry of life. Following the launch of the Cultural Heritage Policy for Bermuda and as part of the consultation in which the Ministry of Youth, Culture and Sport has engaged, the concept of ‘makerspaces’ has

been advanced and is to be embraced by the Government as an effective means by which to provide collaborative workspaces within existing buildings. These spaces will incorporate technology and tools to enable artists and creatives to hone their crafts, and will extend to musicians and actors, filmmakers and other visual artists. Unused government buildings can provide the venue for new artistic offerings and the encouragement of artists of all ages.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; in March of this year, Bermuda's first Independent Living Programme was opened. This facility provides the opportunity for a maximum of two years of life skills, peer support and educational planning for those who have aged-out of the care of the Director of Child and Family Services on turning 18. To build on the success of this initiative, the Ministry of Social Development and Seniors will extend the services provided to those young people starting at age 17, who whilst remaining in the care of the Director will also now benefit from the life skills preparation in this transitional stage where they begin to assume the responsibilities of independent living.

In keeping with the promise made in last year's Speech from the Throne, the Ministry established a Multi-Risk Assessment Conference (MARAC) Model to address the myriad of issues arising from domestic abuse and family violence. The UK agency SafeLives provided an invaluable review of the local services, identifying key priorities. The Ministry of Social Development and Seniors will now develop a five-year strategic plan to combat domestic abuse, mitigate against its familial and societal impacts and promote the safety of children and families experiencing this trauma.

During this Session, the Legislature will consider amendments to the Adoption of Children Act 2006 to make provision for greater safeguards against abuses of adoption processes that result in outcomes not in the best interests of children. The Act and the Adoption of Children Regulations 2013 will also be amended to reform the process by which Bermudians adopt children from overseas, making it less complicated, less frustrating, and less expensive; but always in the best interest of the child.

The Government's concerted effort to meet the challenge of homelessness will continue in conjunction with those private sector partners who bring to bear their considerable energy and expertise to address the impact of the social dynamic presented by and to those who find themselves without regular shelter. During this Session the Government will introduce for the consideration of the Legislature a Homelessness Strategy for Bermuda.

People with disabilities are often more likely to be impacted by society's inequalities. The 2016 Census found that 1174 of the working age population was unable to work due to disability. Dr Oyinloye notes in his Report:

“Work is an important factor in promoting health and this could compound existing health inequalities due to disability. The Human Rights Act 1981 outlines that disability should not be a reason for disqualification from work if it is possible to modify employment circumstances without causing unreasonable hardship to the employer or prospective employer.”

In Bermuda 782 people with a disability receive financial assistance, representing 47% of the total recipients of that aid.

Recognising that most of us were made to modify our homes to continue working during the pandemic, the Government will lead as an employer and reform the approach to recruitment to ensure that where a disabled person can perform a role with modifications at home, they can work.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; a global pandemic and now wars have created economic circumstances that defy private sector norms and government intervention. Forty year high global inflation has compounded the inequalities prevalent in our system, creating conditions that make sustaining one's basic needs a daily, weekly, and monthly struggle. The Government has used the legislative and policy tools available to assist the people, increasing and expanding child day care allowance, eliminating duty on staple goods, expanding the reach of financial assistance in instances of sudden hardship, and continuing to reduce the tax burden on the majority of Bermuda's workers and businesses.

In spite of the global challenges and their local impact, there has been growth in Bermuda's economy. Employment has increased, international business has expanded, consumer spending, driven by increased household expenditure and exports, is up, year over year.

The execution on the Government's Economic Development Strategy and the continued delivery on the Economic Recovery Plan, has laid the foundation for this economic growth. During this session, the Government will advance its vision of a thriving City of Hamilton through the creation of a new economic empowerment zone in Southeast Hamilton with amendments to the Economic Development Act.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; The Ministry of Economy and Labour's Position Paper "**Addressing the challenge of an aging population and driving economic growth by increasing the working population**" crystallises the challenge that is shared by several small islands and even larger countries: Shrinking and aging populations will not be able to support future economies.

In this Session, the Legislature will consider amendments to the Bermuda Immigration and Protection Act 1956 to enact those measures recommended in the Economic Development Strategy. The Government will also provide benefits to businesses that retain able-bodied, capable workers beyond age 65. These changes will retain the workforce we have while other efforts are committed to growing the Island's economy, creating more jobs that support an increased working population.

Additionally, to ensure that Bermuda's immigration laws are enforced, the joint task force on immigration compliance will be renewed as a partnership between the Ministries of Economy and Labour and National Security.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; the Bermuda Business Development Agency (BDA) has operated as a marketing agency and concierge for new business for some years and has a record of promoting the best that Bermuda has to offer the global community. The competition for foreign, direct investment is evidenced by the number of jurisdictions creating agencies with such a goal as their single remit. Driven by the Board of the BDA and endorsed by the Ministry of Economy and Labour, the organization will pivot now from a marketing /development agency towards an investment promotion agency or IPA. This transition will commence in earnest with a view to its completion to coincide with the new fiscal year, 2024/25.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; tax reform has figured prominently in the work undertaken within the Ministry of Finance. During the last session, in line with the recommendations from the Fiscal Responsibility Panel, Bermuda's payroll tax system was made more progressive resulting in the reduction of payroll taxes for workers to the lowest level in over 30 years.

In October 2021 a global agreement was reached to make material changes to the global tax system. It was agreed that a minimum tax would be imposed on large multinational enterprises with over 750 Million Euros of global revenue. Almost 150 countries agreed a

framework that would subject such entities to a minimum 15% effective tax rate, applied to the profits in every jurisdiction in which they have a corporate footprint.

After two successful rounds of consultation with the public and particularly with affected industry stakeholders, during this Session the Legislature will be invited to consider an historic Corporate Income Tax Bill to implement the Global Minimum Tax agreement in Bermuda.

Following passage of the principal Act, further amendments to the new global minimum tax regime will incorporate specific Qualified Refundable Tax Credits to provide incentives for investment into Bermuda's economy from companies who will be subject to the new Global Minimum Tax. These tax credits will provide incentives for international companies in Bermuda to invest in projects that will boost our economy and infrastructure.

This certainty in legislation will maintain Bermuda's competitiveness as an international business centre and reinforce the Island's hard-earned reputation for transparency and international financial co-operation.

The implementation of the Global Minimum Tax in Bermuda will be the most fundamental tax reform in Bermuda's history, and additional revenues that may accrue to the Government must be balanced by a reduction in existing taxes and customs duty to ensure that Bermuda remains competitive and retains our thriving international business sector.

To that end, the establishment of a new Tax Reform Commission enabled by an Act of the same and passed in the Legislature in 2020 will fulfil the Government's commitment to examine existing taxes and make recommendations for the changes necessary to reduce the cost of living and the cost of doing business in Bermuda.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; in today's digital age, the use of a bank account is a basic necessity for Bermudians. During this session, and similar to changes made in many other jurisdictions, the Government will further advance banking reform by legislating the requirement that licensed banks have a duty to provide access to basic banking services to all residents. Additionally, the Legislature will take under consideration the regulations necessary to regulate excessive fees charged for banking services.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; RegTech is the application of emerging technology to improve the way businesses manage regulatory compliance, monitoring, and reporting. In this era of increasing and enhanced compliance around anti-money laundering and anti-terrorist financing imposed on businesses, charities and professionals, Bermuda can be positioned to participate in developing digital industry.

In this Session, the Legislature will take under consideration a Digital Identity Service Provider Act to lay the foundation for the emergence of a RegTech industry here in Bermuda, as we continue to lead the world in providing a platform for digital innovation in financial services.

The Legislature recently passed landmark trademark legislation and to continue the growth in intellectual property, the Government will advance amendments to the Patent and Designs Act 1930 to provide the relevant criteria for what constitutes a patent or what is patentable and set out patent protection in Bermuda extended to 20 years in keeping with industry standards in competitor jurisdictions.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; Bermuda learned that the geographic isolation of the Atlantic Ocean is no barrier to the cyber-wars of the 21st century. Government systems were attacked and it has taken a Herculean effort to restore and recover those systems. Whilst, protections were in place and more were contemplated, the events of this September have both accelerated and shifted those plans. The Government has mandated an increase in threat detection, as well as enhanced security training for public officers. In this Session, the Legislature will be invited to strike a Joint Select Committee of both Houses to inquire into and make recommendations arising from September's cyber-attack.

Additionally, the Legislature will take under consideration a Cybersecurity Bill, the draft of which will be amended to reflect recommended statutory strengthening required in the wake of the cyberattack on the Bermuda Government.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; human and technology resources continue to be an essential element of keeping Bermuda safe. The scheduled completion of Phase I of the Island-wide CCTV project in this 4th Quarter of 2023 provides the platform for more rigid enforcement of traffic laws, promoting safer driving and safer road use.

To address the human resource issues identified within our uniformed services, and to ensure that more Bermudians are able to enter our uniformed services, the Ministry of National Security, in partnership with the Ministry of Education, will implement a Uniformed Services Cadet Training Programme, providing foundational training for young women and men of school age, preparing them for careers in Bermuda's uniformed services.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; the Government has taken decisive action to address the cost of living in a deliberate intervention with certain essential goods and services and has fostered a collective understanding within regulatory agencies and the private sector of the need to balance unchecked profits with community responsibility. Last year, when gasoline prices spiked to all-time highs in many jurisdictions, Bermudians were spared from record prices due to the price freeze for gasoline that was endorsed by the Legislature. Whilst the energy and communications sectors are complex, where pricing is influenced by global and local factors, the Government will advance amendments to the Regulatory Act 2022, the Electricity Act 2016 and the Electronic Communications Act 2011 to provide for greater public protections in pricing determination and implementation. The Cost of Living Commission will also be tasked with identifying additional essential commodities to be added to the Schedule of their Act, thereby reducing customs duty that can provide price reductions of those goods to the consumer.

In addition to addressing the cost of these key services, the Government will continue to address the need for affordable housing for Bermudians. The ebbs and flows of the market do not take account of those who need help to start the journey to home ownership or to maintain a stable living environment for themselves and their families. Derelict homes will continue to be repurposed and refurbished and through the Bermuda Housing Corporation's private sector rental programme and the 'Home Start Programme' more and more Bermudians will be housed in affordable, quality housing.

Forty-nine applicants have been approved for mortgages under the Government's Mortgage Guarantee programme with a local bank, adding to the growing number of Bermudians securing homes for the first time with the assistance of the Government of Bermuda. Concurrently with this ongoing initiative, the Government continues to work with cooperating local banks to reduce mortgage rates for all Bermudian families.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; the promise of digital fare media for public transport has been too long

deferred. A reduced reliance on cash payments and the introduction of convenient digital payment methods will allow our public transport interface to match our tourism marketing as a luxury destination. The procurement process is complete and during this Session, the Legislature will be invited to consider amendments to the Government Omnibus (Fares) Regulations 1952 to implement this initiative.

As part of a wider discussion on the harmonization of public service vehicle licensing, the Government will address longstanding grievances of various public service vehicle sectors and will usher in a more equitable approach to permitting, licensing and operation, with the goal of ensuring that our residents and visitors have access to transportation services that they expect in 2023 and providing Bermuda's taxi operators their first fare increase in a nearly a decade.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; it is a somewhat trite saying that Governments are elected to serve the people. Though legislation and policy are the primary levers for serving voters' interests, Governments have an obligation to ensure that Government services that fall under legislation are delivered well. Service must translate into efficiency and Bermuda's residents deserve a level and ease of service that matches our claim to jurisdictional sophistication. Some of these services will be improved through a focus on digital transformation of Government Services, others will be improved through the streamlining of regulations. The Government recognizes the key "touch points" for our citizens and their interactions with their Government and accepts that more is required to deliver more efficient service in key areas:

- **Planning:** Though planning laws have been streamlined in recent years, complaints from residents continue and many are frustrated by their interactions with the department.
- **Immigration:** Customer service must be improved and a focus on this department is expected to increase customer satisfaction through further digitalization of immigration processes.
- **Creation of a single payment portal** for all Government services enabling residents to pay for all Government services, including customs payments at the airport, online or via their mobile phone.

- Establishment of ‘one stop shops’ for registration, permitting and licensing which will reduce multiple trips to different government departments.
- Implementing better use of technology powered by artificial intelligence to ensure that answers are provided to customers who contact the Government by phone or email.
- In recruitment and hiring: The pace of Government recruitment frustrates ministers, public service leaders, and applicants alike. Necessary streamlining will be advanced to ensure that funded vacancies are replaced more quickly.
- Public Highways: The government will urgently advance the replacement of its asphalt plant that will accelerate the pace of road paving in Bermuda to ensure that after enduring delays due to island-wide trenching, road users can start to see relief from less than ideal road conditions.
- Tourism: The Tourism Investment Act 2017 was amended in the last session to provide increased concessions for restaurants, entertainment venues, and tourism attractions – these benefits will only help to improve Bermuda’s tourism product if they are used. The government will streamline the process so that our entrepreneurs can invest in new or improved attractions to provide increased amenities for our visitors in line with the continued rebound in Bermuda’s tourism industry.

The Public Service has borne the brunt of service delivery in an era of fiscal austerity, a global pandemic and most recently a deliberate cyberattack. Public Officers have done an exceptional service to Bermuda and the commitment to delivering even better customer service is a shared one. The Government will continue to support the public service as it looks to modernise its processes and improve customer service to the taxpayers of Bermuda.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; modelled on the Audit Act 1990 and its provisions for an Audit Committee, amendments will be made to the Public Access to Information Act 2010 to create a similar Committee, appointed by the Governor on the advice of the Premier, to enhance the work of the Office of the Information Commissioner. Both Acts enshrine the independence of the respective Offices and the former recognizes that such a Committee is not incongruous with the independent functions of the Office. A similar regime will obtain and public confidence, transparency and accountability can only benefit from this change.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; the vision of former Premier, the Hon. Dame Jennifer Smith was for Bermuda to strengthen the historic, familial, and cultural ties to the Caribbean. This year marks the 20th anniversary of Bermuda's entry into Caricom as associate members. In this anniversary year, the Government will renew the vision of Dame Jennifer, initiating a consultation process leading to full membership in Caricom.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; the young people of Bermuda inspire confidence in the future and bring a unique energy to life in our community. The Family Centre's Youth Leadership Academy through its summer programme this year, produced a series of high quality presentations aimed at improving communities. The presentations were:

- **Pump Up the Park** – promoting the revamp of Parsons Road Park as a space for the social, physical and emotional development of teens and young adolescents
- **Street Harassment in Bermuda – A culture of catcalling** – a gripping account of personal encounters with demeaning and disrespectful conduct towards young people in the open street
- **Heart of the City** – a proposed film determined to showcase the rich history, personalities and businesses of Court Street

Each of these presentations proved compelling in their simplicity and thoughtful in their potential positive impact. The Government believes that young people invested in Bermuda's future must be supported as their example will grow the community connectedness that meets the challenge of anti-social behaviour and a history that does not resonate beyond the generation that lived it.

Therefore, the students have been connected with the various Government Departments and each of the initiatives will be advanced and supported in this coming year. The presentations will be tabled in the Legislature to form part of the permanent record and will serve as a reminder of the breadth of talent and passion that exists in our young people. The legacy of the late Martha Dismont is secure and enduring.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; in addition to the bills mentioned before, in this Session the Legislature will be invited to consider the following Bills:

- Bermuda Health Council (Amendment) Bill
- Clean Air (Amendment) Bill
- Companies (Amendment) Bill
- Customs Miscellaneous (Amendment) Bill
- Insurance (Amendment) Bill
- Investment Funds (Amendment) Bill
- Landlord and Tenant (Amendment) Bill
- Motor Taxi and Regulations (Amendment) Bill
- Parliament (Amendment) Bill
- Quangos Amalgamation Bill
- Trusts (Amendment) Bill
- Water Resources (Amendment) Bill
- Anti-Doping in Sport Bill

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; this year has been one of transition. Bermuda has bid farewell to seasoned stalwarts on both sides of the aisle. They range from strong black men who stood in defiance of the status quo at a time when to do so was personally and economically perilous. They include a man who made Bermuda his home and who offered himself in service to the people as a means of giving back to the Island that no doubt gave much to him. And they include a woman of extreme dignity and grace whose public service spanned from the classroom to the Upper House.

Each of them impacted this Island and as we gather today, we are uplifted by their sacrifice and inspired by their example that no task is too great. Divisions cut deeper in small communities and so it becomes even more important for us to centre ourselves on those things that will improve the lives of all the people. The Government has met the challenge of leadership throughout this young century's most difficult days and remains committed to doing so as we go from strength to strength; recovering, restoring, and growing.

Madame President and Members of the Senate, Mr. Speaker and Members of the House of Assembly traditionally at this point the Governor is invited to add some words of their own.

After a series of global events which have had an impact on our economy, society and way of life over the last three years, we have frequently been reminded that Bermuda is not as isolated from the world as maps may suggest. We are fortunate not to be directly exposed to the horrors that we have witnessed in the Middle East in recent weeks, or in Ukraine in the last 19 months. The sense of growing global uncertainty is palpable and reinforces the importance of working together to encourage and nurture unity in our society.

I am more convinced than ever that resilient, robust, transparent and accountable institutions of Government are essential to achieving our aspirations for Bermuda. I look forward to working with the Executive, Legislature, Judiciary and across our society over the coming year.

Madame President and Members of the Senate; Mr. Speaker and Members of the House of Assembly; I declare this Session open, and may God guide you in your deliberations.

Her Excellency Rena Lalgie
Governor and Commander-in-Chief
3rd November 2023

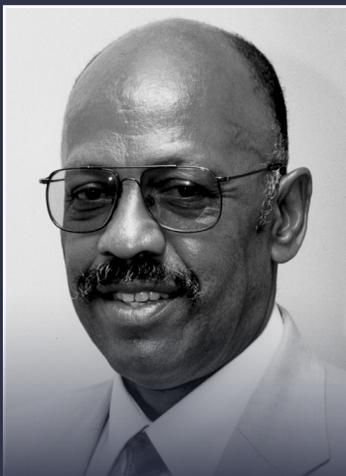


GOVERNMENT OF BERMUDA

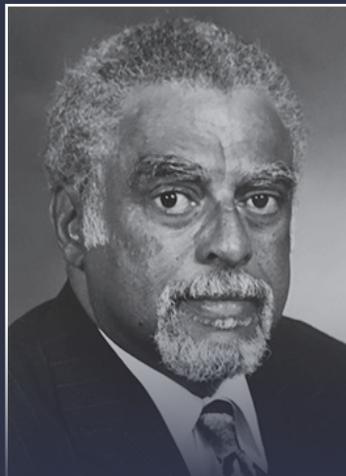
REMEMBERING THEIR SERVICE TO BERMUDA



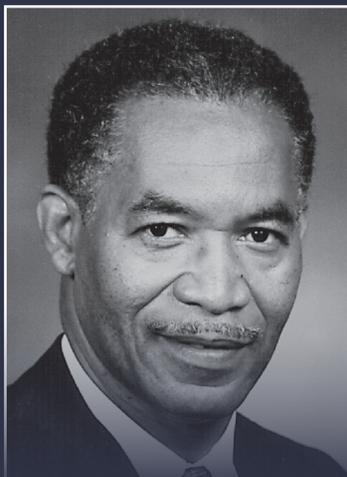
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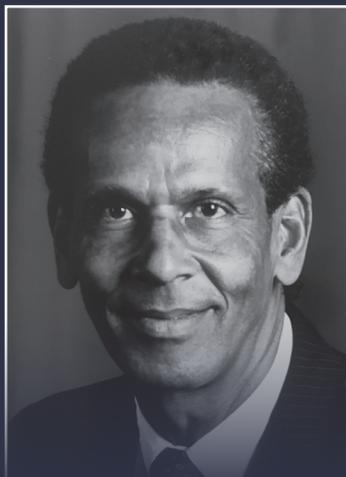
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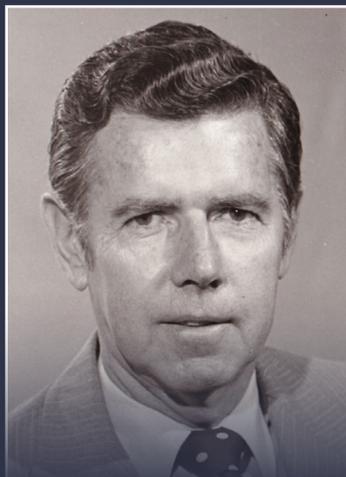
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