

A NATIONAL ADDRESS

THE HON. E. DAVID BURT, JP, MP
PREMIER AND MINISTER OF FINANCE

19 July 2018



GOVERNMENT OF BERMUDA

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Good evening. I am speaking to you from the P1 classroom of West Pembroke Primary School. It is here and in countless other classrooms across the Island that the seed of life-long learning is planted and where every Bermudian parent prays that our children will be protected, nurtured and acquire the skills they need to become the masters of their own destiny and take their proper place in our economy.

Just one year ago, you, the people of Bermuda determined that a new direction was required for our island. As the sun set on that July evening and the polls closed, the voice of the people began to be heard from east to west; a loud voice that gave an unprecedented mandate to their new Government.

All of us who were elected that night, remain humbled and grateful for the opportunity to serve YOU; and with your prayers and well wishes we have spent the last twelve months devoted to delivering on our promises to you.

In 2017 our community was on edge. Policies were designed to preserve the livelihood of the few, while the majority were told to share the sacrifice. We faced an insensitive approach to immigration that many of us believed would lead to the further marginalisation of Bermudians in our own country. And we witnessed the deployment of riot police against our citizens as they sought to take a stand against injustice.

The civil servants, many of whom are our family, friends or neighbours, had been denigrated and saw their government departments reduced to unsafe operational levels. Austerity was failing and trust in the elected government was at an all-time low.

Our first job was to change these conditions and signal to the people that we could do better.

With your help, we changed the direction of the country and began an approach that is moving us from a Bermuda that only worked for the elite and privileged to a Bermuda that can and will work for all of us.

In their crisp, clean uniforms and brand new shoes, the children who will enter this P1 classroom in September occupy a unique position in our society. The fulfillment of the promise of their youth is directly linked to how we care for our seniors today.

The recent census confirms that we are an ageing population and so we must provide golden years of dignity and security for our seniors. After a lifetime of work and sacrifice, senior citizens today are confronted with the prospect of increasing healthcare costs and witnessing life savings reduced by the care they now require.

We must preserve the dignity of our seniors and ensure that they do not have to needlessly struggle after the sacrifices they made to build the Bermuda our generation enjoys. Last year, we established an Aging Well Committee to drive forward the policies and laws that will ensure that the issues of our seniors are always front and center with this government. The annual pension increases put in place by this government are a start, but we know that we must do more

When our seniors can age at home, surrounded by their loved ones in familiar surroundings, they can enjoy their golden years more peacefully and comfortably.

To encourage families to support seniors ageing at home, I am pleased to announce that the Government, through the Bermuda Housing Corporation will facilitate interest free, home improvement loans of up to \$15,000 for families who need help modifying their home or that of their senior loved one. In addition, we will allow for the fixtures and fittings imported for these small projects to be duty free. That duty exemption will also be extended to existing or new rest homes, as they also play an important part in our healthcare system.

For many years, Lefroy House has not been in the best state for the care and comfort of its residents. A new facility is necessary and I wish for the staff, residents and their families to know that we are working on a new site that will feature the best care for seniors. This new facility will combine the Mangrove Bay Clinic under its roof, providing the west end with much needed, improved community health services.

To provide for the needs of our seniors, we will require a strong economy and this Government is determined to continue the work to grow and diversify Bermuda's economy. In April, ratings agency Standard & Poors upgraded their outlook for Bermuda's economy to positive. This is the first time in 12 years that S&P have had a positive outlook on Bermuda. This was independent validation of your government's sound financial management and the steps your government has taken to grow Bermuda's economy that will provide more jobs in the future.

To ensure that we diversify our economy, the advances in distributed ledger technology and FinTech have been harnessed by the decisive legislative action we have taken. Bermuda has emerged as a world leader in this area and a key component of the development of these new industries is ensuring that Bermudians can both invest and work in them. A new FinTech Business Unit has been formed under the Ministry of National Security with a mandate to develop this industry while providing training opportunities for Bermudians who wish to work and benefit from this new industry.

The success of this economy will be founded in our ability to build capacity locally. Where we have fallen short in the past has been in short-term fixes that cannot stand the test of time. We can no longer govern only for the economy of today; we must build the economy of tomorrow.

That's what FinTech is all about. That's what blockchain and distributed ledger technology means for you. It is the next wave of how the world will do things; and we must open up that world to the young minds that don't know a world without the internet or smartphones. We cannot let new developments pass us by and defend our non-participation on the basis that we have something that works and should just be preserved. That is the attitude that caused Bermuda to fade in tourism and this government will not repeat that mistake with Fintech.

If you look around this classroom you can sense the expectation, the hopes and dreams of the boys and girls who will pass through its door. Our sacred trust to them is to provide teaching and learning of the highest standard, leading to successful educational outcomes that prepare them for the economy of the future.

As we continue to address the improvement of educational outcomes for our students, we have kept our promise to expose our young people to Science, Technology, Engineering, Art and Mathematics or STEAM Education at the primary school level. It is exciting to report that a STEAM curriculum - has been chosen for primary schools with four primary schools successfully piloting the curriculum this year. We will now introduce the STEAM curriculum to six primary schools per academic year over the next three years laying the foundation for future jobs in finance, technology, and the trades.

To keep of promise of phasing out middle schools, the Ministry of Education has commenced the consultation process to ensure that the changes we make will serve the best interests for our students

and will improve the quality of public education in Bermuda. My daughter will start in the public school system next September, and just like the Minister of Education who trusts his daughter's education to the public school system – we will work together to ensure it the best for all of Bermuda's students.

Unless they have learned something different from us as adults, P1 students will arrive in this classroom free from prejudice. All our economic success is for naught if we cannot enjoy it in harmony and unity. There is a need for healing in this community because our affluence has often disguised the true divide in this country. As the most recent census results demonstrate, the divide between races in earning and opportunity is real - and if we fail to accept it and the reasons for it, then we can never erase it. Black people in this country have a right to demand that their government address the systemic inequalities that see black people over represented in the criminal justice system or always battling against historic, inherited wealth for fairness and equality.

That is the reason why the government decriminalised possession of small amounts of cannabis, to reduce the number of black males entering our criminal justice system.

That is the reason why this government has finally made it official policy to ensure that more government contracts can go to those persons who do not have access to inherited wealth. It is only through the affirmative action of the government that these historic trends, laid bare in the most recent census report, can be reversed. We will change the way the government monies are spent, in a fair and transparent manner, so that in the future, my 2 year old son, can live in a better and fairer Bermuda.

Much of our work has been affected by the failure of the previous Administration to invest in infrastructure. At a time when basic services like public transport and garbage collection needed an injection of capital funding, that money was spent elsewhere. The ongoing issues we have had with the bus fleet and with providing reliable trash collection are a direct result of the previous Administration's failure to prioritize these services while promoting other projects. We have ordered much needed new buses and garbage trucks and while they are being assembled we continue to be grateful for your patience and understanding as we work hard to make what services we are still able to provide, reliable.

In this year's Budget Statement I highlighted the pressures on hard-working families and what we would do to provide some relief. Those measures such as duty and payroll tax reductions are beginning to take hold but we know that more is needed. The cost of living in Bermuda is too high.

We know that far too many Bermudians are struggling to make ends meet – and one of the main drivers of our high cost of living is the price of electricity. The era of continued unsustainable electricity increases must come to an end. After a century of profits, it is not right that the hardworking people of Bermuda pay for new energy infrastructure through rate increases. We cannot change the trajectory of our country if we continue to repeat the mistakes of the past, and this government will take decisive action to ensure that energy in Bermuda is more affordable.

In this year's Budget Statement I indicated that it is time to consign old restrictions to the history books. To increase the options for development inside the City of Hamilton and to provide economic activity to North Hamilton, the Government undertook to revise height restrictions in the Hamilton Economic Empowerment Zone for residential and mixed-use development. The work to complete this revision is in hand and the plan will be finalized before the end of this year.

Before this session of Parliament is over, we will have much needed consumer debt protection legislation. We must deal with debt sensitively and justly, holding financial service providers accountable for their actions in the treatment of consumers. We are beginning the complex process of creating more banking

options for Bermuda. The creation of a new form of banking license, in the first instance to support the development of the FinTech industry, is step 1. We are keenly aware of the need for greater access to better banking services across this community and we will fulfil our promise to bring more competition to banking in Bermuda so that Bermudians can experience lower mortgage rates which will reduce the strain that many families are feeling.

Bermudians, the government I lead is not perfect, and we will make mistakes – but trust and believe that your government's heart is in the right place. Your Government is working hard to ensure that the students who will start here in a few months will come of age in the better and fairer Bermuda that you voted for a year ago.

What I have appreciated most about this first year in office has been the interaction with you, the people we serve. At public meetings, on the street, even in church, Bermudians of all walks of life have taken the time to encourage me personally and to share their views on the performance of their Government. People realize that there is an incredible amount of work to be done and recognize that Ministers, Senators and MPs are consumed with addressing the issues that will build a better and fairer Bermuda.

In one year have we cured all of Bermuda's ills? NO we have not. However, have we made progress in reducing gang violence, progress in providing more opportunity for our students, progress in ensuring dignity for our seniors, progress in fairness for our workers, progress in tackling the high cost of living, progress in making government work better, and progress in tightening up immigration, yes we have.

From the long overdue opening of the land title registry office, to the 313 Bermudians that received financial support to attend the Bermuda college; from the new educational programs being implemented in our prisons, to the introduction of roadside sobriety testing; from the elimination of conscription to the many steps taken to promote healthy living; from the increased resources to our entrepreneurs to the reform of legal aid; I am encouraged by the progress we have made in just 12 months.

I have been inspired by young people who have become more engaged in society and who have taken the initiative to share incredible ideas to improve the lives of their fellow Bermudians. With forty-three (43) new FinTech companies in varying stages of incorporation, an upgraded economic outlook, and an increase in insurance registrations, it is clear that investor confidence in this Government and in Bermuda is growing again.

That was what we were elected to do, and over the next several years, with your continued input, guidance and support we will continue to make progress.

This journey is only beginning and all of us, wherever we serve in this Government, are filled with the same promise and energy that will resound within these walls when school returns. We committed to building a better and fairer Bermuda and with your continued support we are doing that every day.

Thank you and good night.