



**2013/14 SESSION**  
of the  
**BERMUDA**  
**HOUSE OF ASSEMBLY**

**OFFICIAL HANSARD REPORT**

**11 December 2013**  
*Sitting number 6 of the 2013/14 Session*  
*(pages 419-456)*

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

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**BERMUDA HOUSE OF ASSEMBLY****OFFICIAL HANSARD REPORT****11 DECEMBER 2013****10:06 AM***Sitting Number 6 of the 2013/14 Session**[Hon. K. H. Randolph Horton, Speaker, in the Chair]***PRAYERS***[Prayers read by Hon. K. H. Randolph Horton, Speaker]**[Pause]***CONFIRMATION OF MINUTES  
29 NOVEMBER 2013**

**The Speaker:** Thank you, Members. We have confirmation of the Minutes of the 29<sup>th</sup> of November 2013. And the Minutes of December 6<sup>th</sup> are to be deferred.

Are there any objections to the Minutes of the 29<sup>th</sup> of November?

There are none.

*[Motion carried: Minutes of 29 November 2013 confirmed]***MESSAGES FROM THE GOVERNOR**

**The Speaker:** There are no messages from the Governor.

**ANNOUNCEMENTS BY THE SPEAKER  
OR MEMBER PRESIDING****APOLOGIES**

**The Speaker:** We have received information from MP Zane De Silva, who is absent today. Also, we have had apologies from our Leader of the Opposition, who is also absent today.

**MESSAGES FROM THE SENATE**

**The Speaker:** There are none.

**PAPERS AND OTHER  
COMMUNICATIONS TO THE HOUSE**

**The Speaker:** There are no papers and communications.

**PETITIONS**

**The Speaker:** No petitions.

**STATEMENTS BY MINISTERS**

**The Speaker:** I am also just getting a note that we have a message which indicates that, Honourable Premier, you will make a Statement. I am just getting a message from the Cabinet Secretary. In fact, it looks like we have it here.

It is here, sir. Can we just have it copied, and then we can have the Statement before we . . .

*[Pause]*

**The Speaker:** All right. Members, we do have a Ministerial Statement from the Premier.

Yes, all right. I do not have a copy now, and all the Members need . . . I think the Premier needs one and all the Members.

*[Pause]*

**The Speaker:** Honourable Members, we are just waiting for some copies of the Statement so that Members can have copies before. And you are allowed to talk, yes.

*[Pause]*

**The Speaker:** Yes, Honourable Members, I think that Members now will have the Premier's Statement. So I will recognise the Honourable Premier.

**CABINET ASSIGNMENTS**

**Hon. L. Craig Cannonier:** Thank you, Mr. Speaker.

Mr. Speaker, I rise today to inform this Honourable House of a realignment of Cabinet responsibilities.

It has been just under a year since I have had the privilege of serving as Premier, and in that time, I have had the opportunity to assess the very formidable challenges facing this country and to formulate strategies for a better Bermuda and a more efficient Government. As you know, we have been busy and have made significant headway in:

- rebuilding the economic foundation to help grow jobs and opportunities;
- fortifying police operations to make neighbourhoods safer;
- passing legislation to eliminate discrimination and to expand fair treatment; and
- moving towards a Tourism Authority to revive that great industry, to name a few of our many accomplishments.

But there is still much more to do and a longer way to go before we are out of the woods.

Mr. Speaker, how we get there is through a term you have heard me mention many times: It is “shared sacrifice.” I have also stated that tough decisions will have to be made to place Bermuda on the right trajectory.

As Premier, it is my responsibility to lead by example and make some tough decisions from the top down.

Today, I announce a decision that will produce a leaner, more effective and efficient Cabinet. The changes reflect recommendations made by the UK National School of Government from 2011, my own observations over the past 12 months, and indeed, it will fulfil part of our platform promise. Today, this OBA Government is fulfilling our promise.

Mr. Speaker, these Cabinet changes are part of a process toward better governing and greater efficiency.

We have got a very busy legislative year ahead of us. We started the process of shared sacrifice and change earlier in the year when Cabinet Ministers took a 10 per cent pay cut, effectively saving the Government hundreds of thousands of dollars.

Today, I would like to announce further changes for the Cabinet that will reduce Cabinet from 13 to 10 and will take place with immediate effect and deliver further savings.

The Cabinet Ministers for the legislative year will be:

- Minister of National Security, Deputy Premier, the Hon. Michael Dunkley;
- Minister of Finance, the Hon. E. T. (Bob) Richards;
- Attorney General and Minister of Legal Affairs, the Hon. Mark Pettingill;
- Minister of Health and the Environment, the Hon. Trevor Moniz;
- Minister of Education and Economic Development, the Hon. Dr. Grant Gibbons;
- Minister of Works and Engineering, the Hon. Pat Gordon-Pamplin;
- Minister of Tourism and Transport, the Hon. Shawn Crockwell;
- Minister of Home Affairs, the Hon. Michael Fahy, JP;

- Minister of Community, Culture and Sports, the Hon. R. Wayne Scott.

I would like to take this opportunity to publicly say *thank you* to the following dedicated Members of Parliament who will not be serving in the Cabinet at this time, but will serve in the following positions: Sylvan Richards, JP MP, will now assume the role of Junior Minister for Home Affairs in this House of Assembly. Leah Scott will assume the role of Junior Minister for Education in this Honourable House. Senator Nalton Brangman will continue to sit in the Senate and take on responsibilities as Junior Minister for Business Development.

[Gavel]

**The Speaker:** This is a Ministerial Statement. The Premier is speaking!

**Hon. L. Craig Cannonier:** These Members have proven to be team players, and I am proud to say that their commitment to the Government and the people of Bermuda remains unwavering and intact. I welcome their continued assistance and support and representation in these new roles.

Mr. Speaker, it is important to understand that the process of identifying efficiencies will be an ongoing initiative for this Government. I want people to understand that we need to get better, that we need to face up to our challenges and make the required changes. Each one of us has to also commit to making sure we do all we can to make Bermuda succeed because the challenges confronting Bermuda are serious and real, and there should be no doubt about that. Today's Cabinet announcement is a further demonstration of our commitment and respect to the prudent management of the public purse.

Thank you, Mr. Speaker.

**The Speaker:** Thank you, Honourable Premier. There are no further Statements.

## REPORTS OF COMMITTEES

**The Speaker:** There are none.

## QUESTION PERIOD

**The Speaker:** We move to Question Period. I have two Members who have indicated that they would like to ask a question.

MP Lawrence Scott.

### QUESTION 1: CABINET ASSIGNMENTS

[Disallowed]

**Mr. W. Lawrence Scott:** Mr. Speaker, I have a question for the Premier. I am just wondering if it is by de-

sign or default that all Ministers who were removed were never a part of the UBP, but only the OBA?

**The Speaker:** I do not think . . . That is not a question to be asked. Let us ask some decent questions! Let us ask some decent questions. That is a ridiculous question!

MP Burt.

#### QUESTION 1: CABINET ASSIGNMENTS

**Mr. E. David Burt:** Good morning, Mr. Speaker.

Mr. Speaker, I thank the Premier for his Statement. He has announced that former Minister Leah Scott will be the Junior Minister of Education. Does that mean that there will be no Junior Minister for Education sitting in the Senate?

**The Speaker:** Premier?

**Hon. L. Craig Cannonier:** Certainly. I think that should be the conclusion. It certainly can be spoken to in Senate. But there is nothing that stipulates that the Junior Minister has to be in Senate.

**The Speaker:** Thank you.  
Yes, MP Burt?

#### QUESTION 2: CABINET ASSIGNMENTS

**Mr. E. David Burt:** Okay. Thank you very much, Mr. Speaker.

Mr. Speaker, my second question is, on page 2 of the Premier's Statement, the Premier states that, "We started the process of shared sacrifice and change earlier in the year when my Cabinet Ministers all took a 10 per cent pay cut, effectively saving the Government hundreds of thousands of dollars."

When he says "hundreds of thousands of dollars," could the Premier please clarify approximately how much was saved?

**The Speaker:** Premier?

**Hon. L. Craig Cannonier:** Certainly. I can provide you with a tally sheet. But certainly, \$247,000 actually was saved.

**The Speaker:** Thank you.

**Mr. E. David Burt:** Supplementary?

**The Speaker:** Yes.

#### SUPPLEMENTARIES

**Mr. E. David Burt:** Mr. Speaker, is the Premier saying that \$247,000 has been saved by the move earlier in the year to reduce Cabinet salaries by 10 per cent?

**Hon. L. Craig Cannonier:** Yes. Let me just qualify. I do not have the exact figures in front of me. When we made our Cabinet announcements we knew that through the Cabinet announcements we made when we first became Government that we would save about \$240,000-odd, and then, in addition to that (I do not have the additional figures in front of me at this time including the 10 per cent) . . . but if you add the 10 per cent cut that we took on top of that, it is more savings.

But I can provide that information for you.

**The Speaker:** Thanks.  
Yes?

**Mr. E. David Burt:** As a supplementary, Mr. Speaker.

I thank the Premier for stating that he will provide the information. The question that I had, and I just want to go back to it again, and I will try to rephrase it a different way: Is the Premier confident in saying that he saved over \$200,000 as a result of reducing Cabinet salaries by 10 per cent?

**Hon. L. Craig Cannonier:** Thank you, Mr. Speaker.

I pretty much just qualified that question. I am not sure why we are having a redundant question being asked. I said that when we announced our new Cabinet Ministers we knew that we would be saving, with our new Cabinet Ministers, approximately \$247,000 in that area. And in addition to that, taking the 10 per cent discount would be added on top of that. So I qualified that. I am not sure where the difficulty is.

**The Speaker:** Thank you, thank you very much.  
Yes. Do you have a third question?

**Mr. E. David Burt:** Third question, Mr. Speaker.

My third question is, although I am disappointed that the Premier would have referred to my questions as *redundant*—

**The Speaker:** Ah! Question?

**Mr. E. David Burt:** But I am just stating for the fact that his Statement—

**The Speaker:** A question, no statement! Ask a question.

**Mr. E. David Burt:** I am referring to his Statement.

**The Speaker:** Right. Okay. Good.

#### QUESTION 3: CABINET ASSIGNMENTS

**Mr. E. David Burt:** His Statement says hundreds of thousands of dollars were saved by the move in re-

duction of 10 per cent salaries. That is not correct. That is why I am asking the Premier if he will continue to stand by that statement that he says hundreds of thousands of dollars.

**The Speaker:** And I think he answered. He answered you.

Two more questions. I have MP Rolfe Commissioning.

#### QUESTION 1: CABINET ASSIGNMENTS

**Mr. Rolfe Commissioning:** Thank you, Mr. Speaker.

Mr. Speaker, the only rationale offered for the change and the reduction of the size of Cabinet is found on page 2, which says (and I quote), "The changes reflect recommendations made by the UK National School of Government from 2011 . . ."

Mr. Speaker, I ask the Premier, does that document confirm, then, that the SAGE recommendation, which concomitantly also called for a reduction of size of Cabinet, had no bearing on this decision?

**The Speaker:** Premier?

**Hon. L. Craig Cannonier:** Certainly.

Not at all. From the very beginning we were looking at the opportunities for being efficient. When we became Government we knew that there was a report out there from 2011—which the previous Government had in its hand, and had not made any movement on those suggestions.

So, we continued to consult with those who were involved with that report. And I stated back in June/July that I was already looking at efficiencies at that time, before the SAGE Commission had put out any recommendation.

**The Speaker:** Thank you.

I recognise MP Wayne Furbert.

#### QUESTION 1: CABINET ASSIGNMENTS

**Hon. Wayne L. Furbert:** Thank you, Mr. Speaker.

Mr. Speaker, the Premier . . . and the Premier has a right to do what he wants, but can the Premier inform this House whether, based on the SAGE Commission, he will be cutting two more Cabinet Ministers?

**An Hon. Member:** Ah! Good question.

**The Speaker:** Premier?

**Hon. L. Craig Cannonier:** As I said, we will continue to look for efficiencies where they are. At this present time, I believe that any numbers less than 10 would be disruptive to the Civil Service.

**The Speaker:** Thank you.

Yes? Is this a second question?

#### QUESTION 2: CABINET ASSIGNMENTS

**Hon. Wayne L. Furbert:** Yes. Thank you, Mr. Speaker.

The Premier talked about efficiency. We have a Minister of Education in the House. Can the Premier justify why there is a Junior Minister of Education in the House, who will be paid an additional \$11,387 a year?

**The Speaker:** Premier?

**Hon. L. Craig Cannonier:** Certainly, Mr. Speaker.

I think if the Honourable Member would do his calculations, the additional \$10,000 or \$11,000 for a Junior Minister in the House is not an addition. This is a former Minister without Portfolio. So if he does the deduction, it is a huge savings in having a Junior Minister in the House.

**The Speaker:** Thank you.

#### QUESTION 3: CABINET ASSIGNMENTS

**Hon. Wayne L. Furbert:** We understand there is a deduction. But why would the Premier have a Minister of Education sit in the House and a Junior Minister sit in the House?

**The Speaker:** Let the Premier answer.

**Hon. L. Craig Cannonier:** Sure.

**Hon. Wayne L. Furbert:** I was not even finished.

**Hon. L. Craig Cannonier:** Thank you, Mr. Speaker.

You know, I also stated in the Statement that an assessment after the year, looking at how things operated . . . we know that constitutionally the leader in Senate should have a Ministry. I felt it prudent to ensure that we have a Minister of Education *in the House*.

So, looking at the decision of the constitutional right we had (at least one Minister must be in Senate), we have accomplished that. But I felt it more prudent to ensure that the Minister of Education would actually be in the House itself. By adding and having [the] Junior Minister in the House as well, we recognise that the attention must be given to education. It is about the here and now and the future. And I believe that education is that foundation of our bright future.

So, by having the Minister and Junior Minister here, we can give it the vital attention that it needs. It is vitally important to this country.

**The Speaker:** All right. Thank you.

Yes, MP Roban.

**SUPPLEMENTARY**

**Mr. Walter H. Roban:** Supplementary, Mr. Speaker.

**The Speaker:** Yes?

**Mr. Walter H. Roban:** I have listened carefully to the Premier's answer. Frankly, it is puzzling. But my question is this: Why would there be two people with responsibility for the same Ministry when you have a Minister of Education in your Hon. Grant Gibbons, as you have listed, and you have a Junior Minister? It does not make sense. It is a redundant appointment.

Or would you not accept that, Mr. Premier?

**The Speaker:** I think—

**Hon. L. Craig Cannonier:** Thank you, Mr. Speaker.

**The Speaker:** Very good. But I think the Premier answered that by saying he wanted two people in the House.

**Hon. L. Craig Cannonier:** Exactly. The same reason why the previous Government would have chosen its number of Ministers and Junior Ministers—because they felt it prudent—I felt it prudent to do it this way.

**The Speaker:** Thank you. Thank you.  
Yes, MP Scott.

**SUPPLEMENTARY**

**Mr. W. Lawrence Scott:** Yes, this is a supplementary.  
Would the Honourable Premier answer, what will happen to the permanent secretaries from the combined Ministries?

**Hon. L. Craig Cannonier:** The Cabinet Secretary is walking through that now. I cannot answer that specifically, but we are working through that.

**The Speaker:** Thank you.  
Yes? Supplementary, MP Burt.

**Mr. E. David Burt:** Supplementary, Mr. Speaker?

**The Speaker:** Yes.

**SUPPLEMENTARY**

**Mr. E. David Burt:** Mr. Speaker, the Premier just spoke about reorganisation. Could he speak to any departments which may have moved from existing Ministries? Because I do believe that some Ministers have lost some responsibilities and they have been transferred to other departments.

**The Speaker:** Thank you. Honourable Premier?

**Hon. L. Craig Cannonier:** Yes, Mr. Speaker, I will provide that organisational chart (we are waiting for it as we speak) so that the House can have it. But consolidations, if you look at the number of departments that we have, we have approximately over 70 departments. As we look at the synergies and attempting to bring into more alignment in Ministries, we are . . .

Okay, I have got some copies here with me. This is not completely up to date. But if you would just give . . . as an example, we felt it prudent to have Land Valuations, Public Lands and Buildings, Land Surveys and Registration, Conservation Services all under one umbrella because we saw the synergies there with those departments. So it was important to move them from the Department of Environment into Works and Engineering so we could have cohesiveness and synergies there.

And you will see that amongst the rest of the outlays. We will provide that organisational chart for you. You will have it. It is being done.

**The Speaker:** All right. Thank you.  
Yes, MP Wayne Furbert?

**SUPPLEMENTARY**

**Hon. Wayne L. Furbert:** Yes, supplementary in regard to the Junior Minister and the Minister.

Can the Premier eventually provide for this Honourable House just a job description of how they see the system between the Minister and the Junior Minister working? That is what I would love to see, what are their roles going to be?

**The Speaker:** Thanks, MP Furbert.

**Hon. L. Craig Cannonier:** All of that will be forthcoming.

**The Speaker:** All right. Thank you. Thank you.  
Thank you, Members.  
There is no Report of Committees.

**CONGRATULATORY AND/OR  
OBITUARY SPEECHES**

**The Speaker:** We are now on congratulatory and/or obituary speeches.

The Chair recognises the Honourable Member from constituency 1, MP Kenneth Bascome. You have the floor.

**Mr. Kenneth (Kenny) Bascome:** Good morning, Mr. Speaker.

**The Speaker:** Good morning, MP Bascome.

**Mr. Kenneth (Kenny) Bascome:** Good morning to my honourable colleagues.

I would ask that a letter of condolence be sent to Mr. Brian Oatley's family. I see everybody waving. Brian was a personal friend of mine, as well as a constituent of mine. He will be missed in the community. I always respected Brian because he always sought to the fact that when I sat in another place, anytime that the St. George's Dinghy and Sports Club were having any sort of function, that I received an invitation. I had been working very closely with his missus since he took ill, and it was a shock to me when I was informed that he had actually passed. He will be missed in the community, I can guarantee you that. Thank you, Mr. Speaker.

**The Speaker:** Thank you, MP Bascome.

The Chair now recognises the Honourable Member from constituency 3, MP Foggo, the Opposition Whip. You have the floor.

**Ms. Lovitta F. Foggo:** Thank you, Mr. Speaker.

I would like to be associated with the condolences for Mr. Brian Oatley. I had a long history with Brian in that we attended Sunday school together. But also, on top of that, I worked with his mom, Lily Oatley, on the St. George's Parish Council, and we have a great friendship. So I would like condolences to go out to the Oatley family.

Mr. Speaker, I would like to also give congratulatory remarks to St. David's Primary for an outstanding Christmas concert, which was held yesterday evening. The performances were excellent. I just think we should take every opportunity to at least just make mention of what our young people in our schools are doing. I also want to point out the fact that the audience was also made aware of how well St. David's Primary is doing as an elementary school, having placed first in Mathematics in the Cambridge [results] out of all elementary schools, third in Language Arts and third in Science. I believe the overall placement was second. So that just speaks extremely well for how our young children in St. David's are doing academically. Thank you, Mr. Speaker.

**The Speaker:** Thank you, Honourable Member.

The Chair now will recognise the Honourable Minister for Health and [Environment]. Minister Trevor Moniz, you have the floor.

**Hon. Trevor G. Moniz:** Thank you. Thank you, Mr. Speaker.

Today I rise to my feet to send condolences to two families. The first is the family of S. A. Moniz, Stephen Alton Moniz, who was my uncle, who died back in October. Unfortunately, I was away at the time of his death, although I had seen him just before he died. S. A. married Loretta back in the early 1960s, a young Australian lady, who worked on the front desk at the Castle Harbour Hotel, and subsequently he emigrated to Australia for 20 years, had four wonder-

ful children, Shane, Lee, Vivienne and Jim, who returned here for his funeral. Jim now lives in Denmark and had played cricket for Denmark in the Twenty20. He was the one who ended up playing against Bermuda when Denmark defeated Bermuda, I believe. Shane was also a wonderful cricketer, who played the in the UK for at least a season with one of the semi-professional, the Minor County teams there. Vivienne is well known here. She works for XL and was one of the Young Insurance People of the Year not so long ago.

He was very active in snooker. He was a very good cricketer. He was a runner-up in the Bermuda Open in 1962 before he left and was always a keen participant on his return, with the Old Colony Club. He used to go to all of the games. My brother, Tyler, frequently would gather him and take him to the games, and also the Honourable Member Zane De Silva's sister would often take him to the games so he could see them. So I would just like to send condolences to his widow, Loretta, and to his four children.

In addition, I would like to send condolences to the family of Edgar Henry Browne, who was the same age as my uncle. I think he was 87 years old. Edgar was of Tee Street, a very provocative gentleman, very outspoken, years ago he worked for Calypso for many years. His children were Nick, who lives in the Cayman Islands; and in Bermuda, it is Hal, who works down at the Hamilton Princess, whom, Mr. Speaker, you will know very well, a lovely person; Lea Kessaram, married to Harry, who still lives on Tee Street; Thomas, who is married to Tricia; and the grandchildren are Michael, Alex, Sacha, Sam, Luke, Courtney and Reid. I would just like to send my condolences to the Browne family. I would like to join the Premier into that, as they are his constituents, and the Honourable Member Mr. Dunkley and Dr. Gibbons. Thank you very much.

**The Speaker:** Thank you, Honourable Member.

The Chair now recognises the Honourable Member from Sandys South, the MP T. E. Lister. You have the floor.

**Hon. Terry E. Lister:** Thank you, Mr. Speaker.

Mr. Speaker, I want to offer congratulations to what is being called the Emancipation Players. The Emancipation Players are a group of young people who, as we speak, are in Barbados. As you recall, a few years ago we started . . . We did not start it, but a Shakespearean festival had been started about four or five years ago. And as these young people progressed and performed really, really well, there was a desire to have them perform overseas. But they could not find a place to send them.

This past year, the Caribbean Secondary Schools Drama Festival came to the attention of Ms. Ruth Thomas and others, and they decided to put a group together to perform an event. In preparation,

they gave us, the members of the public, a dry run, Sunday before last (I believe it was, if I remember correctly). There were eight young people from various senior schools. They gave a wonderful presentation of Bermuda through time. It was taken from what is called *Emancipation: A Love Story*, written by Dr. Kim Dismont Robinson. The Honourable Walton Brown would like to be [associated] (I believe he was there, as well). And it was directed by Mr. Alan Smith.

They went to Barbados on the 8<sup>th</sup> and are due to return on the 15<sup>th</sup>. I am sure that the House is happy to send congratulations to this group, who will represent and are representing Bermuda well.

Secondly, Mr. Speaker, from our neck of the woods, I would like to send condolences to the family of Mrs. Louella Douglas. Mrs. Douglas was a well-known teacher, who made a tremendous—as my Uncle Walter would say, *a tremendous contribution*. She really did. The Honourable Dennis Lister would like to be enjoined as well. Mrs. Douglas had a long time at the wicket. She was 95 when she passed. She taught for some 40 years, first at West End Primary. And then when the Boaz Island School was opened in the early 1960s, you remember there was an overcrowding of students. So Boaz was opened, she went there for 10 years. When Boaz was closed, she went to Somerset Primary, where she ended her career. Mrs. Douglas was very active in the St. James Church and the Sunday school and the lay, all these sorts of things.

You may recall, Mr. Speaker, being a Cup Match player yourself, her husband, Wilmouth “Mont” Douglas, played Cup Match in the early 1930s for Somerset, and she, too, was a great fan. She is survived by her sons, Mervyn Douglas, a long-time Government employee who recently retired, and Lloyd Douglas, whom many of us know.

Thank you, Mr. Speaker.

**The Speaker:** Thank you, Honourable Member.

The Chair now recognises the Member from Pembroke East. Sorry, from Pembroke, not East, Pembroke [West]. I will get it. I will get it right. The Member from Pembroke, MP Jeanne Atherden.

**Mrs. Jeanne J. Atherden:** Thank you, Mr. Speaker.

I would like to rise today to ask that congratulations be sent to the organisers of the Gosling’s Golf Tournament that just recently finished. Mr. Speaker, I think we sometimes do not always appreciate the sporting events are, if you will, an additional arm of tourism, in the sense that this year there were many new golfers. In fact, there were actually nine new golfers, professionals, that came down. This tournament has been growing year over year.

I am always excited to hear about new people coming. But equally, I think we forget that when the golfers come down, not only do they play golf, but they stay in hotel accommodations, they have taxi

drivers that take them around, they actually stimulate the economy and, therefore, these things actually make sure that Bermudians gain revenue from this.

Mr. Speaker, I would also like to offer congratulations to the organisers of the Goodwill Tournament. This tournament is taking place now. And even though the numbers are down, this is the 60<sup>th</sup> year that the Goodwill Tournament has been going on in Bermuda. I am hoping that, as it goes forward, this golfing tourism, if you will, will continue.

Thank you, Mr. Speaker.

**The Speaker:** Thank you, Honourable Member.

The Chair now recognises the Honourable Member from Sandys North, the Learned Member, MP Michael Scott. You have the floor.

**Hon. Michael J. Scott:** Mr. Speaker, thank you.

Mr. Speaker, congratulations and a request for obituary notice.

On the congratulations side, Mr. Speaker, may I ask that this Honourable House send a note of congratulations to Ms. Judith Gill, the President of the Barbados Association of Bermuda, on the occasion of the 47<sup>th</sup> anniversary of their [Barbados’] independence. I am being asked by my dinner guest, the Minister of Works and Engineering, the Honourable Patricia Gordon-Pamplin. She was at the celebration, and I was pleased to be with her celebrating the Barbados Association.

On that occasion, Mr. Speaker, there were two honourees, and I am sure the Minister of Public Works and Engineering will be pleased to be associated with the congratulations offered to these awardees. They were Mr. Justice Carlisle Greaves\* and Ms. Leah Tuzo.

I would like to be associated with the Honourable Member, Mr. Terry Lister’s, condolences to the Douglas family. Mrs. Douglas lived on Sound View Road, and we all grew up with Mervyn and Lloyd, with Mrs. Douglas’s guidance during our young years.

Mr. Speaker, there has been another Somersetian who has gone on. I would ask this House to please send condolences to the family of Mr. Kenneth Bassett, of Bob’s Valley. Mr. Dennis Lister, a good Somersetian, and another good Somersetian, Mr. Terry Lister, and I am sure the Shadow Minister of Justice, whose constituent this is, Ms. Kim Wilson, would like to be associated with these condolences. Thank you, Mr. Speaker.

**The Speaker:** Thank you, Honourable Member.

The Chair now recognises the Minister for Education, Minister Grant Gibbons.

**Dr. the Hon. E. Grant Gibbons:** And Economic Development.

**The Speaker:** And Economic Development.



*[Laughter]*

**Dr. the Hon. E. Grant Gibbons:** I am getting used to it as well.

*[Laughter]*

**The Speaker:** Therefore the need for a Junior Minister, right. Make sure you get you a very good, very good Minister.

*[Laughter]*

**Dr. the Hon. E. Grant Gibbons:** I think you put your finger on the issue, Mr. Speaker.

Mr. Speaker, I actually rise this morning on a sad note. I would ask that condolences be sent to the family of a long-time Paget constituent, Mr. Richard Shafto Love Pearman, usually known as "Dick." Mr. Speaker, in addition to what would be considered a very exotic name from his parents, he also had a rather extraordinary legal legacy. His father, Sir James Pearman, was one of the founders of Conyers Dill and Pearman. And his mother, Lady Pearman, was the daughter of Sir Reginald Appleby, who was one of the founders of Appleby Spurling and Kempe.

His career paralleled a huge growth in international business. He was, obviously, a long-time partner in Conyers Dill and Pearman. He distinguished himself academically; he was a Rhodes Scholar and also was very instrumental in the expansion of Conyers Dill and Pearman. He helped to set up the Hong Kong office back in the 1980s, and also the London office a little more recently.

Mr. Speaker, he had some, what I would call also rather notable clients, one of whom was the late comedian Charlie Chaplin, and Elizabeth Taylor. Apparently, he helped to insure some of her diamond necklaces. So, he was very involved with a number of clients and helped to bring a lot of business to Bermuda in his day, Mr. Speaker.

Interesting enough, he was also a superb golfer. He played for Bermuda in the Eisenhower Cup and had a number of notable achievements in some of the English courses. He was a member of the Royal and Ancient [Golf Club] in St. Andrews and a number of other courses as well.

But interesting enough, he got very involved in croquet, which is probably a foreign sport to most of us. But at one point—

**The Speaker:** Except those who live near Lantana.

*[Laughter]*

**Dr. the Hon. E. Grant Gibbons:** There we go.

He became the US singles champion in 1979 and 1980, was actually admitted to the Croquet Hall of Fame in Newport, Rhode Island. He had a diverse

and certainly very interesting life and did a lot to help Bermuda move into international business and basically expanded our economy in many of the things that he did.

Mr. Speaker, I would ask that condolences be sent to his widow, Jeannie Pearman, to his two daughters, Helen and Sally, and son, Scott Pearman, as well. I know a number of people would like to be associated: Michael Scott, Michael Dunkley, Jeanne Atherden, the Honourable Member Pat Gordon-Pamplin, Glen Smith, as well, Mr. Speaker. Anybody? Minister of Finance, Bob Richards. In fact, everybody, for that matter.

Mr. Speaker, while I am on my feet, I would also like to be associated with the condolences to the family of Brian Oatley, certainly a very involved member of the St. George's Dinghy and Sports Club; and also the congratulations to St. David's Primary. Thank you, Mr. Speaker.

**The Speaker:** Thank you, Honourable Member.

The Chair now recognises the Honourable Deputy Leader of the Opposition, MP Derrick Burgess. You have the floor.

**Mr. Derrick V. Burgess, Sr.:** Thank you, Mr. Speaker.

Mr. Speaker, I would like for this House to send a letter of appreciation to Mr. William Leon "Kee-Kee" Deshields. This [man] (I am going to call him a "young man") provides service to Hamilton Parish, the Midland Heights pedestrian crossing every morning.

**The Speaker:** Ah!

**Mr. Derrick V. Burgess, Sr.:** At no charge to the country, to the taxpayer. Every day, [for] the children and those that use the pedestrian [crossing] in the very busy Midland Heights area, he directs the traffic. He has got his own sign and his own uniform, all at his expense. And he gives you the salute.

**The Speaker:** You are congratulating him, right?

**Mr. Derrick V. Burgess, Sr.:** Well, we would like to send a letter of appreciation.

**The Speaker:** Oh, okay. I see. I missed the first part, yes.

**Mr. Derrick V. Burgess, Sr.:** It is not a congratulations; it is a thank-you for the work that he does. And he has been doing it for some years. At times, he even keeps that area clean.

Thank you, Mr. Speaker.

**The Speaker:** All right. Thank you, Honourable Member.

The Chair now recognises the Minister for Community, Culture and Sports. Minister Wayne Scott.

**Hon. R. Wayne Scott:** Thank you, Mr. Speaker. I thought that you could not see me down here.

**The Speaker:** No, no. No, no, no.

**Hon. R. Wayne Scott:** So I guess being out of sight, out of mind may work to my advantage.

**The Speaker:** You have gone a long way away from me.

*[Laughter]*

**Hon. R. Wayne Scott:** Mr. Speaker, I would like to send congratulations out to a couple of people, and I guess it is *Tyler Day*, so first of all, to Tyler Butterfield, who recently capped off an extraordinary triathlon season with another podium finish, last weekend, [at] Ironman Cozumel, Mexico. Mr. Speaker, when you think that there are over 2,500 male and female athletes, Tyler is just performing extraordinarily well . . . I would like to associate the Shadow Minister, MP Weeks.

Also, while we are on Tylers, young Tyler Smith, who has just recently won the Goombay Splash Junior Bowl Tennis Tournament, in the Bahamas again, last weekend. It was her second international win in the last couple of weeks. So, she is performing extraordinarily well. This was a tournament that had players from all over the world, athletes representing the Bahamas, the United States, Trinidad, Brazil, Japan, Jamaica, Denmark, Germany, Russia, Canada, Italy—all over. Of course, going to her victory, she defeated players from the United States twice to take that victory. So, congratulations to her.

Lastly, Mr. Speaker, I would like to send congratulatory remarks out to Antoine Russell, which of course, I would like to also associate my Shadow Minister. Of course, being [that] my Shadow Minister supports one of PHC's greatest rivalries, he would know that Antoine Russell is the grandson of the legendary [Earl] "Townsey" Russell, who, of course, led PHC to three FA Cup titles and was introduced to the Sports Hall of Fame and, of course, has beat up quite often on my Shadow's team. Of course, Antoine Russell, following in his grandfather's footsteps, just recently scored a hat-trick with his Ilkeston victory against Burton on December 2<sup>nd</sup>. So, thank you, Mr. Speaker.

**The Speaker:** Thank you, Honourable Member.

The Chair now recognises the Honourable and Learned Member from Sandys. MP Kim Wilson, you have the floor.

**Mrs. Kim N. Wilson:** Thank you. Good morning, Mr. Speaker.

**The Speaker:** Good morning.

**Mrs. Kim N. Wilson:** Mr. Speaker, I appreciate that a number of condolences in which I wish to be associated with have already been raised this morning, but I certainly would like to extend my condolences to the family of Mrs. Douglas, Louella Douglas, (Bean) Douglas of Sound View Road, in particular to her sons and her in-laws and so forth. If I could, please, Mr. Speaker, be associated—

*[Inaudible interjections]*

**Mrs. Kim N. Wilson:** Pardon? Dame Jennifer? Oh, really?

If I could, please, Mr. Speaker, be associated with that.

Also, I just heard just a few moments ago of the passing last evening of Kenny Bassett. And if I could please be associated with those condolences for his family, as well, Mr. Speaker, I would be obliged. Thank you.

**The Speaker:** Thank you. Thank you, Honourable Member.

The Chair now recognises the Honourable Deputy Speaker. MP Roberts-Holshouser, you have the floor.

**Mrs. Suzann Roberts-Holshouser:** Thank you, Mr. Speaker, and good morning.

**The Speaker:** Good morning.

**Mrs. Suzann Roberts-Holshouser:** I would like the House to send a letter of congratulations . . . While the piece of art has not quite been completed, under the auspices of Chewstick, the young artist, De'Jon Simons is actually painting a mural of Mandela. I think the House would like to be joined with this letter of congratulations. I hope that this mural will be there for many, many, many years, for 27 years if not greater than that. At least it recognises, I think, someone that, as we have all mentioned and concentrated on last Friday, is a man that needs to be put down in our history, the world's history. So I want to send a letter of congratulations.

I also, in addition, would like to have the House send a letter of congratulations to Mr. Rick Spurling, as part of the Christmas celebrations at Carter House. Of course, I believe everyone in the House would recognise that Carter House is one of the most long-standing residences in Bermuda, while no one resides there other than the history of St. David's. My cousin, Ronnie Chameau decorated the house as it would have been decorated in the seven-

teenth century, and that, of course, would have excluded a Christmas tree, but utilising a fauna that would have been available in the seventeenth century.

At the end of the evening, we had an opportunity to put personal items in a time capsule. I would also like to recognise the Member from St. George's, Kenny Bascome, as well as Nandi [Outerbridge], who were also available at the evening. But we had the opportunity, at the end of the evening, to put something in a time capsule. And we looked around, everyone did. The time capsule was being buried in the foundation of the building that has just been completed. That is a replica of how houses would have been built back in the sixteenth century.

One of the things [we thought about], while we looked around, when individuals put things in this time capsule, was, who was going to be around in the next 50 years when it was opened? And there was, of course, Rick Spurling's grandchild, my son, who would probably be in his 60s by the time it was opened. But we hope that they will be present in 50 years' time, because they will recollect what happened when it was first put in the ground. Thank you, Mr. Speaker.

**The Speaker:** Thank you, Honourable Member.

The Chair now recognises the Honourable Member from Sandys [North Central]. MP Dennis Lister, you have the floor.

**Hon. Dennis P. Lister:** Thank you, Mr. Speaker.

Mr. Speaker, I rise this morning first to be associated with some of the other condolences that have already been given. I think my name was attached to some of them. But I just wanted to stand and acknowledge that.

And I also, in that acknowledgement, Mr. Speaker, would like to have the House send condolences to the family of another Somerset person who was laid to rest last week, Mr. Osman "Ossie" Mouchette. As you will know, Mr. Speaker, the Mouchette family is one of the older families in Somerset, and Mr. Osman Mouchette passed recently in his 90<sup>th</sup> year. I would like to have this Honourable House send condolences to his wife Margaret, and to his children, Roseanne, his sons Christopher and Raymond. The Member from constituency 34, the Honourable Kim Wilson, would like to be associated with those remarks as well, Mr. Speaker.

Although, as you will know, Mr. Mouchette was sort of a quiet man, but he was definitely one of those who will be missed in our community, Mr. Speaker. I think it only fitting that we send the recognition to his family. Thank you.

**The Speaker:** Thank you, Honourable Member.

The Chair now recognises the Honourable Member from Warwick [West], MP Jeff Sousa. You have the floor.

**Mr. Jeff Sousa:** Good morning, Mr. Speaker, fellow MPs, and of course, the listening audience.

**The Speaker:** Good morning.

**Mr. Jeff Sousa:** I would like to ask the Honourable House to send congratulations to our Bermudian martial arts team, which just returned to the Island after winning medals in the first NORCECA Wushu Tournament in Mexico. Sentwali Woolridge captured gold; Jermal Woolridge, silver; Khalid Pitcher, bronze; while spokesman and manager, Garon Wilkinson, finished sixth.

Mr. Speaker, I would like to read what Garon Wilkinson said upon his return: "We had successful tournaments in Brazil, Colombia, Malaysia and to cap the year off with three medals in Mexico is just icing on the cake." I personally have seen these athletes perform at boxing cards in Bermuda. Of course, I would like to associate the Minister of Sports, the Honourable Wayne Scott, with these remarks. I have seen these gentlemen fight. And you can just imagine the training that is involved at this level. I do know at this time that this sport is not in the Olympics. People, like Garon Wilkinson, throughout the world have worked hard to get it, and I believe they are on the shortlist right now. And believe me, you do not want to get in the ring with Jermal "Goofy" Woolridge or, in that fact, any of these gentlemen, with the amount of training that they do.

Again, Mr. Speaker, I ask the House to recognise these gentlemen and this sport. They are very deserving of this recognition. Thank you, Mr. Speaker.

**The Speaker:** Thank you, Honourable Member.

The Chair will now recognise the Honourable Member from Pembroke [East Central]. MP Michael Weeks, you have the floor.

**Mr. Michael A. Weeks:** Thank you, Mr. Speaker, and good morning.

**The Speaker:** Good morning.

**Mr. Michael A. Weeks:** I would like to be associated with the remarks to Sentwali Woolridge, Jermal Woolridge and Khalid Pitcher. They have done an excellent job. So as the Shadow Minister, I want to be associated with that.

I also would like to be associated with the remarks for Tyler Butterfield for his job well done in Mexico, and for Antoine Russell. One thing the Minister of Sport failed to mention, and I might get in trouble for it, [is that] Antoine was the product of Dandy Town also. And he got some schooling out the barn.

But having said that, Mr. Speaker, I would like to have a letter of congratulations sent to a classmate, a schoolmate of mine. I think the Honourable Sylvan Richards may want to be associated with that also.

Shelby Weldon has been selected as one of the Power 50 list [*selected by Captive Review*] of executives worldwide—worldwide.

[Desk thumping]

**Mr. Michael A. Weeks:** I would like to associate—I think the whole House would like to be associated with this. Shelby Weldon has been in the insurance industry since he left university 20-plus years ago. So I really want to take my hat off to him. He is currently at the Bermuda Monetary Authority, I think. And to be chosen as one of these top 50 captive executives worldwide is a feat in itself.

Thank you, Mr. Speaker.

**The Speaker:** All right. Thank you, Honourable Member.

The Chair now recognises the Deputy Premier. Minister Michael Dunkley, you have the floor.

**Hon. Michael H. Dunkley:** Good morning, Mr. Speaker, and good morning, colleagues.

**The Speaker:** Good morning.

**Hon. Michael H. Dunkley:** I would like to be associated with condolences sent to [the families of] Brian Oatley and Mr. Richard Pearman, by my honourable colleagues.

In addition, I would like this Honourable Chamber to send condolences to Mr. Eustace Jones on the passing of his wife, Lucille, a few days ago. Some members will be aware that Ms. Jones was a former schoolteacher, started out teaching at the Old Central School, which I think is commonly known as Victor Scott School . . . Sorry, was taught at that Central School, then Victor Scott, and then went on to teach later on at Prospect Primary. Then she opened up her own nursery school, Jones Nursery. She was a constituent of mine in Smith's North and a very, very lovely lady. She had a good family. And I always enjoyed going around because you could be sure you would be sitting in the kitchen and having a good conversation and some good food that was always available when you went to the Jones' household. So Mrs. Jones will be sadly missed by her husband and family and friends. The Honourable Member Dennis Lister—

**An Hon. Member:** All the Berkeleyites.

**Mr. Michael A. Weeks:** All the Berkeleyites.—would like to be associated. Jeanne Atherden, MP Weeks, MP Scott, MP Dennis Lister, MP Walton Brown and Minister Pat Gordon-Pamplin.

Also, Mr. Speaker, I would ask this Honourable Chamber to send condolences to Ms. Savannah Cann on the passing of her daughter Sharise. Sharise fought bravely with illness, and she succumbed to that

illness a couple of days ago. She fought hard, and she did her best to stay on. She had certainly a loving family she leaves behind her son, and her mother did the best to take her through a very difficult time. She was not an old lady, but she had certainly fought as best she could and succumbed to her health challenges, and she will be sadly missed by her family. I think it is appropriate to send condolences on behalf of the House.

Thank you, sir.

**The Speaker:** Thank you.

The Chair will now recognise the Honourable, the Whip of the Government and Leader of the House, N. P. Cole Simons. You have the floor.

**Mr. N. H. Cole Simons:** Thank you, Mr. Speaker.

Mr. Speaker, I rise this morning to send condolences to the family of Janet Paynter Martin. Ms. Paynter was one of the original South Shore Warwick Gold Coast ladies that I grew up with. She was a nurse for most of her career, a psychiatric nurse. She was a compassionate person all of her life. She loved serving people. She loved nursing, and I am sad to see her gone at such an early age in life.

I would like to also be associated with the comments made in regards to Rick Spurling and Carter House. I went there and was absolutely blown away with the exhibition that they had, and how richly they recorded the history of Bermuda and that Bermuda cottage, and even the festive decorations.

I would like to be associated with the comments made in regards to Tyler Butterfield.

Dick Pearman—Dick Pearman was a very, very interesting man. He was President of Business Bermuda, and he was the old-school international business developer. When he did it, he conveyed old hospitality that Bermudians had when we invited people to Bermuda to do business, when we invited direct investors into our economy. He was there. He wine and dined, and he made them feel at home. That is what we have to do when we invite investors to this country today, just show them the old Bermuda charm. And I think we will be more productive.

In addition, I would like to associate myself with the condolences to the family of Edgar Browne. He was an equestrian. He was a member of the Hunt Club, and he was always a very, very interesting person to talk to. He had history on everything.

I would like to also associate myself with the comments made in regards to Shelby Weldon. As was said earlier, he was listed in the Power 50 of the *Captive Review* magazine, which is a publication which has 12,000 subscribers. They said they selected him because he oversaw the largest group of captive domiciles in the world and did a good job on a global basis. So, this is a testament to the quality of people that we have in the BMA [Bermuda Monetary Authority] and the quality of people that are produced in this

country. So again, I salute Shelby for a job well done. Keep up the good work, and the rewards will come.

As I said, that is it for me. Thank you.

**The Speaker:** Thank you, Honourable Member.

The Chair now recognises the Honourable Member David Burt. You have the floor, MP Burt.

**Mr. E. David Burt:** Thank you, Mr. Speaker.

Mr. Speaker, as I was missing from the House at some point in time last week, I am not sure if some of my condolences were given last week. So I do want to start with condolences to one of my constituents. The constituent would be Leisa Ann Viola Smith, who was in her 45<sup>th</sup> year, at West Park Lane. I was fortunate to attend (one of the reasons I was missing). Her home-going service was last week, Friday, at the New Testament Church of God. She leaves two young sons (well, under my age) Daamian Simmons and Zyun Smith. I would like to associate the Shadow Attorney General and also the Shadow Minister of Sports. It was a wonderful home-going service. Her favourite colour was purple. She was also the leader of the Vision Academy, homeschooler. So, when I met her, she spoke passionately about her drive for education. So, it was very sad to see her taken at such a young and sudden age, at 45.

I would also like to send condolences to the family of another one of my constituents, Ms. Barbara-Jean Kennedy, who was in her 83<sup>rd</sup> year at 13 Table-rock Avenue.

Additionally, I would like to be associated with the condolences, which I do believe that the Deputy Leader of the Opposition gave last week, to the family of Avon Dalton "Hooks" Burgess, who will be laid to rest tomorrow in Hamilton Parish. My family is very close with that family, and of course, we extend our condolences, Mr. Speaker.

Moving on to brighter notes, Mr. Speaker, I would like to be associated with the remarks that were given by MP Jeff Sousa to Sentwali Woolridge, Jermal "Goofy" Woolridge and Khalid Pitcher on wiping up with gold, silver and bronze at the Wushu Tournament in Mexico. So I think that they continue to represent Bermuda well, and I am sure that we will continue to support their efforts from this House.

Finally, Mr. Speaker, I would like to ask for a letter of congratulations and thanks to be sent to the West Pembroke Pentecostal Assembly. The reason I say that, Mr. Speaker, is that I was pleased to attend church on Sunday. I was invited to be part of their Christmas Neighbourhood Sunday. And what the church did, Mr. Speaker, is that they identified three organisations that were in need or that they wanted to give thanks to. And they made sure they blessed them with gifts. So, Prison Fellowship was there. They were given gifts for Prison Fellowship. Also, the persons from Teen Haven were there. Teen Haven got dozens of gifts for the families at Teen Haven, so they can

share the joy of the holiday season. Also, gifts were given to all of the teachers and staff, part-time custodial staff, at the West Pembroke Primary School. These were all given by the members and congregation of the West Pembroke Pentecostal Assembly. So it was a pleasure to be there, sir, and I wanted to at least extend the House's thanks on their looking out and supporting the community in which they live. Thank you, Mr. Speaker.

**The Speaker:** Thank you.

Do any other Honourable Members care to speak?

That concludes our congratulatory and obituary speeches.

## MATTERS OF PRIVILEGE

**The Speaker:** There are no matters of privilege.

## PERSONAL EXPLANATIONS

**The Speaker:** No personal explanations.

## NOTICE OF MOTIONS FOR THE ADJOURNMENT OF THE HOUSE ON MATTERS OF URGENT PUBLIC IMPORTANCE

**The Speaker:** No notices of motions.

## INTRODUCTION OF BILLS

**The Speaker:** No Bills to be introduced.

## NOTICES OF MOTIONS

**The Speaker:** No motions.

## ORDERS OF THE DAY

**The Speaker:** That takes us to the Orders of the Day.

The first Order of today is Consideration of the Sale and Purchase Agreement between the Corporation of the City of Hamilton and the parties relating to Porch at No. 68 North Street, in the name of the Minister of Public Safety, who is the spokesperson for Labour and Home Affairs in this House.

Minister Dunkley, you have the floor.

### SALE AND PURCHASE AGREEMENT BETWEEN THE CORPORATION OF THE CITY OF HAMILTON AND PARTIES RELATING TO PORCH AT NO. 68 NORTH STREET

**Hon. Michael H. Dunkley:** Thank you, Mr. Speaker.

Mr. Speaker, I move that consideration be given to the Sale and Purchase Agreement between the Corporation of the City of Hamilton and the parties relating to Porch at No. 68 North Street.

**The Speaker:** Any objections to that?

Minister, please carry on.

**Hon. Michael H. Dunkley:** Thank you, Mr. Speaker.

Mr. Speaker and Honourable Members of the House, I am pleased to have the opportunity today to introduce the Sale and Purchase Agreement between the Corporation of the City of Hamilton and Jeffrey Andre Doran and Tamsyn Nisha Doran in respect of the Porch at No. 68 North Street, dated 21<sup>st</sup> of December 2012, between the Corporation of Hamilton, a corporation existing pursuant to the terms of the Municipalities Act 1923 and having its mailing address as P.O. Box HM 1175, Hamilton HM EX (or the Vendor) and Jeffrey Andre Doran and Tamsyn Nisha Doran, Bermudian, at mailing address Lang House, 4 Lang Lane, St. David's, St. George's Bermuda DD O1 (the Purchasers).

Mr. Speaker, Honourable Members will recall, in accordance with section 14 of the Municipalities Amendment Act 2013 [at section 14(1)], "Any agreement entered into by a corporation on or after 1 January 2012, and before the coming into operation of this section, for—

- a) a sale of land which is the property of the Corporation; or
- b) a lease, conveyance or other disposition of any interest in land which is the property of the Corporation, being a lease, disposition or conveyance expressed to be for a term exceeding twenty-one years or for terms renewable exceeding in the aggregate twenty-one years,

and any related agreement entered into by the Corporation on or after 1 January 2012 and before the coming into operation of this section, must be submitted to the Minister by the Corporation within 14 days after the coming into operation of this section."

Mr. Speaker, the Sale and Purchase Agreement between the Corporation of the City of Hamilton and Jeffrey Andre Doran and Tamsyn Nisha Doran [regarding] the Porch at No. 68 North Street has been duly submitted by the Corporation in accordance with this Act.

Mr. Speaker, section 14(4) of the Act requires that the Minister shall lay any agreement submitted to him under this section as soon as practicable before the Legislature for its consideration, and the Legislature shall either approve or reject it.

Mr. Speaker, in accordance with the Sale and Purchase Agreement, the property is listed as a tenure freehold, with the following description: All that lot of land situate in the City of Hamilton in Pembroke Parish in the Islands of Bermuda comprising the

Porch of the building known as No. 68 North Street as more particularly described in the Schedule and edged red on the Plan annexed that has already been provided to all Honourable Members of this Chamber. Mr. Speaker, Drawing No. LS4446C is attached to the Sale and Purchase Agreement as an Annex.

In accordance with the Sale and Purchase Agreement, the Vendor agrees to sell and the Purchasers agree to buy the property at a purchase price of \$9,625.

The property was sold free of any encumbrances, with vacant possession.

The Government supports the approval of this Agreement, Mr. Speaker.

Mr. Speaker, having said that, this concludes my presentation of the Sale and Purchase Agreement between the Corporation of the City of Hamilton and Jeffrey Andre Doran and Tamsyn Nisha Doran in respect of the Porch at No. 68 North Street.

Thank you, Mr. Speaker.

**The Speaker:** Thank you, Honourable Member.

The Chair will now recognise the Honourable Member from Pembroke East, MP Walter Roban. You have the floor.

**Mr. Walter H. Roban:** Thank you, Mr. Speaker. Thank you to the Minister for his Statement that relates to these leases. We know that there are a number of leases and agreements that have been tabled that relate to these matters.

I can tell you, Mr. Speaker, we are not going to say much on this because, for one, the actual leases themselves we have no issue with. They do not actually . . . These are creatures of corporations and their arrangements and private arrangements. The reasons that they are here, as the Minister did articulate, is because of the amendments that they made to the Municipalities Act this year under section 14, of which there is a requirement that all agreements and leases and other arrangements that the corporation makes of a certain value must be tabled and must be given to Cabinet and approved by the Cabinet and brought to the Legislature.

The issues for us remain as they remained when this Act was passed. We were offended by the Act itself, by the question of the retroactivity, which, for us, raised concerns on a number of levels, constitutionally and otherwise. And the impacts that a Government putting in a retroactive provision into legislation raised some issues about our country, our certain types of business that we desire to do and the image that that portrayed of us. So we had concerns about that.

It is not so much the leases that are being tabled. We purely understand why those leases and those agreements are being brought here. It was the amending Act that brought this process into play that we were always offended by.

So, that is really it for us, Mr. Speaker. Other Members may have something to say. But as a position of this Opposition, it is that these are private matters between the corporation and its partners. The only reason they are being brought to this Legislature is because it was a requirement under section 14 of the amending Act. So, I have little else to say.

That is the position that we have taken on this. We reiterate our concerns about the amendment of the Municipalities Act that was passed this year and the impact of the issue and the question of retroactivity, of which we vehemently raised concerns, and the impact that has on the image of Bermuda to potential business and the prospects that a business that may seek to come to Bermuda, understanding that, particularly if they went into an arrangement with the corporation or one of the corporations, this sword of Damocles, essentially, from a legislative provision, hangs over these sort of agreements.

So, that is it for us, Mr. Speaker, and I will take my seat.

**The Speaker:** Thank you, Honourable Member.

Is there any other Honourable Member who would care to speak?

No other Members, so I will recognise the Minister responsible, Minister Dunkley.

**Hon. Michael H. Dunkley:** Thank you, Mr. Speaker. I appreciate the comments by the Honourable Member. Obviously, the Government of Bermuda disagrees with those comments. This Government is working very hard to improve the image of Bermuda. We have a lot of work to do, and we are going to continue to work hard to make that happen.

I think the Opposition can join hands with us and make sure that we move to a better place than where we are, facing the difficult economic challenges that we have. In this place, we can have differences of opinion over legislation, but once that has passed, I think we need to work together to ensure that we get out of some of the mess that we face today.

So, Mr. Speaker, having said that, I would like to move the following Resolution:

I now move that this Honourable House, in accordance with section 14(5) of the Municipalities Amendment Act 2013, approve the Sale and Purchase Agreement dated 21<sup>st</sup> December 2012, between the Corporation of Hamilton (the Vendor) and Jeffrey Andre Doran and Tamsyn Nisha Doran (the Purchasers) in respect of the lot of land in the City of Hamilton comprising the Porch of the building known as No. 68 North Street, as more particularly described in the Drawing No. LS4446C dated May 10<sup>th</sup> and amended in November of 2012 in the Schedule to the Agreement. Thank you, Mr. Speaker.

**The Speaker:** Thank you, Honourable Minister.

We have consideration for the Resolution presented by the Minister. All those in favour of that Resolution, please, say Aye. Those against, say Nay.

**AYES.**

**The Speaker:** The Ayes have it.

*[Resolution passed: The House of Assembly considered and approved the Sale and Purchase Agreement between the Corporation of the City of Hamilton and parties relating to Porch at No. 68 North Street]*

**An Hon. Member:** Abstain.

**An Hon. Member:** Abstain.

**The Speaker:** Well, you did not make any noise, so it is understood. It will be understood.

Yes?

**Mr. Walton Brown:** With respect, Mr. Speaker, we just wanted to go on record as abstaining—

**The Speaker:** There were no noes. So, therefore, if there were no noes—

**Mr. Walton Brown:** Mr. Speaker, with respect, there is a difference between a “no” vote and an “abstain” vote.

**The Speaker:** Yes.

**Mr. Walton Brown:** We just wanted to go on record as abstaining.

**The Speaker:** All right. Fair enough, Honourable Member.

We now move to Order No. . . .

**Hon. Michael H. Dunkley:** Mr. Speaker, I would like to do Order No. 5 before Order No. 4.

**The Speaker:** Right. That is right. I think I agreed that we would do the Ground Lease before the Development Agreement.

And just before we go, we will record the fact that the Opposition abstained. That can certainly be recorded.

Honourable Minister?

#### **GROUND LEASE BETWEEN THE CORPORATION OF HAMILTON AND PAR-LA-VILLE HOTEL AND RESIDENCE LTD. IN RESPECT OF PAR-LA-VILLE HOTEL, CITY OF HAMILTON**

**Hon. Michael H. Dunkley:** Thank you, Mr. Speaker.

Mr. Speaker, I move that consideration be given to the Ground Lease between the Corporation

of Hamilton and Par-la-Ville Hotel and Residence [Ltd.] in respect of Par-la-Ville Hotel, City of Hamilton.

**The Speaker:** Are there any objections?

Carry on, Minister.

**Hon. Michael H. Dunkley:** Thank you, Mr. Speaker.

Mr. Speaker and Honourable Members of the House, I am pleased to be able to introduce the Ground Lease in respect of Par-la-Ville Hotel, City of Hamilton, dated 11<sup>th</sup> of April 2012, between the Corporation of Hamilton, a corporation existing pursuant to the terms of the Municipalities Act 1923 and having its principal office at City Hall, 17 Church Street, Hamilton, HM 11 (the Landlord), and Par-La-Ville Hotel and Residences Ltd. (Company Registration No. 38852), a local company incorporated in the Islands of Bermuda, whose registered office is at Wessex House, 45 Reid Street, Hamilton, HM 12 (the Tenant).

Mr. Speaker, Honourable Members will recall, in accordance with section 14 of the Municipalities Amendment Act 2013 [at section 14(1)], "Any agreement entered into by a corporation on or after 1 January 2012, and before the coming into operation of this section, for—

- c) a sale of land which is the property of the Corporation; or
- d) a lease, conveyance or other disposition of any interest in land which is the property of the Corporation, being a lease, disposition or conveyance expressed to be for a term exceeding twenty-one years or for terms renewable exceeding in the aggregate twenty-one years,

and any related agreement entered into by the Corporation on or after 1 January 2012 and before the coming into operation of this section, must be submitted to the Minister by the Corporation within 14 days after the coming into operation of this section."

Mr. Speaker, the Ground Lease in respect to Par-la-Ville Hotel, City of Hamilton, has been duly submitted by the Corporation in accordance with the Act.

Section 14(4) of the Act requires that the Minister shall lay any agreement submitted to him under this section as soon as practical before the Legislature for its consideration, and the Legislature at that time shall either approve or reject it.

In accordance with Schedule 1 of the Ground Lease, the premises are identified as those that are commonly known as the Par-la-Ville Car Park and surrounding areas. Mr. Speaker, specifically, a certain parcel of land situated in the City of Hamilton, comprising 0.741 hectare and designated Lot A on the plan as annexed in the Ground Lease as prepared by the Bermuda Land Surveys, Drawing No. LS6119C, dated July 2007 and amended August 2007. In the Annex, it is outlined in red.

For the avoidance of doubt, Honourable Members can find Drawing No. LS6119C attached to the Lease as Annex 4. All Members had a copy of this when it was tabled a couple of weeks ago.

Mr. Speaker, in accordance with the Ground Lease, the Tenant:

1. shall hold the premises for a term of 120 years from and including the term of commencement date;
2. such term shall be increased to 262 years from and including the term of the commencement date in the event that the Minister shall issue a sanction authorising such under section 120 of the Companies Act 1981.

Mr. Speaker, the Tenant is not permitted to use the premises other than for the permitted use, which is specified as a hotel. The Ground Lease sets out very specific hotel covenants, which require "facilities consistent with the use of the Hotel as a 5 Star Hotel." Other usage provisions include condominiums and underground car park. All development must comply with the provisions and requirements of the Planning Acts and relevant environmental legislation.

Mr. Speaker, the Tenant shall pay the Landlord first rent ranging from \$1 per annum up to \$600,000 per annum over the course of several rental review periods during the planning and construction phases of the project, after which an alternative rental formula will apply.

Mr. Speaker, the Ground Lease supports a Development Agreement and Agreement for Lease in respect of the redevelopment of the Par-la-Ville Road Car Park, City of Hamilton.

The Government supports the approval of this Agreement, Mr. Speaker.

This concludes my presentation of the Ground Lease in respect to Par-la-Ville Hotel, City of Hamilton, and I invite other Members to speak. Thank you, Mr. Speaker.

**The Speaker:** All right. Thank you, Minister.

The Chair will now recognise the Honourable Member from Pembroke East. MP Walter Roban, you have the floor. MP Roban.

**Mr. Walter H. Roban:** Thank you, Mr. Speaker.

As stated earlier, we have no objection to any of these leases, and this one, this Ground Lease, whatsoever, or any of these agreements. We have stated clearly our position on these matters as it relates to the principal Act upon which they derive. So, we have nothing further to say on this particular measure.

**The Speaker:** Thank you, Honourable Member.

Is there any other Honourable Member who would care to speak?



The Chair recognises the Member from Pembroke Central, MP Walton Brown.

**Mr. Walton Brown:** Thank you, Mr. Speaker.

Just very briefly, Mr. Speaker, we are here because of the retroactivity section in the Municipalities [Amendment] Act. And just to state our position perhaps more strongly, we view this as a violation of principles of natural justice to have the retroactivity in place. It is reminiscent of show trials in Eastern Europe. And it sends us down a path toward corruption to be able to take away something or have the power to take away something that was duly granted by an authorised body.

**The Speaker:** Thank you, Honourable Member.

Are there any other Honourable Members who would care to speak?

The Chair will recognise the Minister.

**Hon. Michael H. Dunkley:** Thank you, Mr. Speaker.

I move the Resolution: I now move that this Honourable House, in accordance with section 14(5) of the Municipalities Amendment Act 2013, approve the Ground Lease dated 11<sup>th</sup> of April 2012, between the Corporation of Hamilton (the Landlord) and Par-la-Ville Hotel and Residence Ltd. (the Tenant) for a term of 120 years, provided that such term shall be increased to 262 years if sanctioned under section 120 of the Companies Act 1981 in respect of the Par-la-Ville Hotel, City of Hamilton, comprising land described in the Ground Lease of the premises and in Schedule 1 thereto, identified as Drawing No. LS6119C.

Thank you, Mr. Speaker.

**The Speaker:** Thank you, Honourable Minister.

All those in favour of this Lease, say Aye.

Those against, say Nay.

**AYES.**

**The Speaker:** The Ayes have it.

*[inaudible interjections]*

**The Speaker:** Now Members are looking for names, I guess. Is that what you are asking for? All right. Thank you.

Mr. Fox, could you please get someone to come here? They are going to have names.

*[Pause for ringing of the bell]*

**The Clerk:** Good morning. We are going to vote on whether or not approval should be given concerning Order No. 5, Consideration of Ground Lease between the Corporation of Hamilton and Par-la-Ville Hotel and

Residence Ltd. in respect of Par-la-Ville Hotel, City of Hamilton.

## **DIVISION**

*[Resolution to approve Ground Lease between Corporation of Hamilton and Par-La-Ville Hotel and Residence Ltd.]*

### **Ayes: 17**

Ms. J. J. Atherden  
Mr. K. L. Bascome  
Hon. L. Craig Cannonier  
Hon. S. G. Crockwell  
Hon. M. H. Dunkley  
Dr. the Hon. E. G. Gibbons  
Hon. P. J. Gordon-Pamplin  
Mrs. S. Roberts-Holshouser  
Mrs. S. E. Jackson  
Hon. T. G. Moniz  
Ms. N. S. Outerbridge  
Hon. E. T. Richards  
Mr. S. D. Richards, Jr.  
Ms. L. K. Scott  
Mr. N. H. C. Simons  
Mr. G. Smith  
Mr. J. C. Sousa

### **Noes: 0**

### **Abstentions: 11**

Mr. C. Walton Brown  
Mr. D. V. Burgess, Sr.  
Mr. E. David Burt  
Mr. R. Commissiong  
Ms. L. F. Foggo  
Mr. W. L. Furbert  
Hon. D. P. Lister  
Mr. W. H. Roban  
Hon. M. J. Scott  
Mr. W. L. Scott  
Mrs. K. N. Wilson

### **Absent: 7**

Hon. M. A. R. Bean  
Mr. G. A. Blakeney  
Mr. Z. J. S. De Silva  
Hon. T. E. Lister  
Hon. M. J. Pettingill  
Hon. R. W. Scott  
Mr. M. A. Weeks

*[Pause]*

**The Speaker:** Members, are you interested in what the vote was?

*[Laughter and inaudible interjections]*

*[Gavel]*

**The Speaker:** If you be would quiet, it would at least give the Speaker an opportunity to give the results.

The Ayes have 17 votes. And there are 11 abstentions. The Ayes have it. So, the resolution will be carried.

*[By majority on division, the House passed the Resolution to approve the Ground Lease between the Corporation of Hamilton and Par-la-Ville Hotel and Residence Ltd. in respect of Par-la-Ville Hotel, City of Hamilton]*

**The Speaker:** Thank you, Honourable Members.

We will now move to the next Order of the Day. I will recognise again the Minister for Public Safety *[sic]*. Minister Michael Dunkley, you have the floor.

**Hon. Michael H. Dunkley:** National Security now, Mr. Speaker.

**The Speaker:** National Security; please excuse me.

**DEVELOPMENT AGREEMENT AND AGREEMENT FOR LEASE IN RESPECT OF REDEVELOPMENT OF PAR-LA-VILLE ROAD CAR PARK, CITY OF HAMILTON, BETWEEN THE CORPORATION OF HAMILTON AND PAR-LA-VILLE HOTEL AND RESIDENCE LTD.**

**Hon. Michael H. Dunkley:** Mr. Speaker, I now move back to Order No. 4, and I move that consideration be given to the Development Agreement and Agreement for Lease in respect to the redevelopment of Par-la-Ville Road Car Park, City of Hamilton, between the Corporation of Hamilton and Par-la-Ville Hotel and Residence Ltd.

**The Speaker:** Thank you, Honourable Member.  
Are there any objections?  
Minister, carry on, please.

**Hon. Michael H. Dunkley:** Mr. Speaker and Honourable Members of the House, I am pleased to be able to introduce the Development Agreement and Agreement for Lease in respect of the redevelopment of the Par-la-Ville Car Park, City of Hamilton, dated 11<sup>th</sup> of April 2012 between the Corporation of Hamilton, a corporation existing pursuant to the terms of the Municipalities Act 1923 and having its principal office at City Hall, 17 Church Street, Hamilton, HM 11 (the Landlord) and Par-La-Ville Hotel and Residence Ltd. (Company Registration No. 38852), a local company incorporated in the Islands of Bermuda whose registered office is at Wessex House, 45 Reid Street, Hamilton, Hamilton (the Tenant).

Mr. Speaker, Honourable Members will recall that, in accordance with the Municipalities Amendment Act 2013, section 14 of the Municipalities

Amendment Act 2013 [at section 14(1)], "Any agreement entered into by a corporation on or after 1 January 2012, and before the coming into operation of this section, for—

- a) a sale of land which is the property of the Corporation; or
- b) a lease, conveyance or other disposition of any interest in land which is the property of the Corporation, being a lease, disposition or conveyance expressed to be for a term exceeding twenty-one years or for terms renewable exceeding in the aggregate twenty-one years,

and any related agreement entered into by the Corporation on or after 1 January 2012 and before the coming into"—

*[Crosstalk]*

*[Gavel]*

**The Speaker:** I really do not want to hear other Members! If you are going to be talking to your colleagues, talk so I cannot hear you.

Thank you.

**Hon. Michael H. Dunkley:** Thank you, Mr. Speaker.

"... and before coming into operation of this section, must be submitted to the Minister by the Corporation within 14 days after the coming into operation of this section."

Mr. Speaker, the Development Agreement and Agreement for Lease in respect of redevelopment of the Par-la-Ville Car Park, City of Hamilton, has been duly submitted by the Corporation in accordance with the Act.

Section 14(4) of the Act requires that the Minister shall lay any agreement submitted to him under this section as soon as practicable before the Legislature for its consideration, and the Legislature shall either approve or reject it.

Mr. Speaker, the premises covered under the Development [Agreement] and Agreement for Lease in respect of redevelopment of the land described as the "Premises" in the Ground Lease was previously presented to the Honourable House by way of the Ground Lease presentation. Honourable colleagues will already know, therefore, that the premises to which the Development Agreement and the Agreement for Lease refers is the Par-la-Ville Car Park and surrounding areas in the City of Hamilton.

Mr. Speaker, honourable colleagues will recall that the Ground Lease requires that the premises are used for the purpose of the development of a five-star hotel and that other uses specified [include] condominiums and an underground car park.

In accordance with the Development Agreement and the Agreement for Lease, the continuance of both [the] Ground Lease, as well as the Develop-

ment Agreement and Agreement for Lease, is dependent upon the Tenant's ability to meet certain finance and development provisions in accordance with clause 13 of the Development [Agreement].

Mr. Speaker, the Corporation of Hamilton has provided a copy of the St. Regis Bermuda and Residences Hotel Operator Financing Approval Confirmation Notice, and the corporation is content that this notice satisfies the requirements under [clause] 13.1.1.

Mr. Speaker, the corporation is further satisfied that the remaining financing obligations under clause 13 have also been addressed. To this end, the corporation has provided a copy of a Resolution, dated 9<sup>th</sup> of August 2012 that states: "Be it resolved that the Corporation of Hamilton accepts the letter from the Minister of Business Development and Tourism to meet the requirements of 13.1.2 and 13.1.3 of the development agreement with Par La Ville Hotel & Residences Limited."

The Resolution was proposed by an alderman and seconded by a councillor, Mr. Speaker. The Resolution was unanimously adopted by the elected officials.

Mr. Speaker, the Corporation of Hamilton is content that this Resolution satisfies clause 32 of the Development Agreement and Agreement for Lease, which states that, "This agreement shall not be amended or modified in any respect except by written instrument signed by the parties hereto." A letter dated September 5<sup>th</sup>, 2012, from the Corporation to the Tenant, signed by the Mayor, confirms that the obligations in accordance with the Agreement have been met.

Mr. Speaker, by way of background, during the period preceding the financing and the expiry date, the Tenant identified financing partners, Vecron Inc., and agreed [to] a financing strategy that was acceptable to the Corporation of Hamilton and to the Bermuda Government.

Mr. Speaker, a letter dated 8<sup>th</sup> of August, 2012, from the then-Minister of Business Development and Tourism states that "the Ministry has caused a background check on Vecron Inc. and have found no impediments. The Ministry has no objection to the intention to accept Vecron Inc. as a financier and equity partner in the development and has issued a 114(b) Licence to Carry on Business as a Local Company in Bermuda, under the Companies Act 1981, to Par-La-Ville Hotel and Residence Ltd., valid through 31 August 2017."

Mr. Speaker, part of the financing strategy required an amendment to the Municipalities Act that would allow for the corporation to provide a guarantee. The Municipalities Amendment Act 2013 came into operation in October 2013, and a motion is now before this Honourable House that seeks to secure legislative approval for the Corporation of Hamilton to enter into such a financing agreement.

Mr. Speaker, the Development Agreement and Agreement for Lease sets out a timeline for development which requires that, amongst other deliverables, the planning development approvals are secured by mid-2014 and that the hotel is opened to paying guests as a substantially operational five-star hotel by 31<sup>st</sup> of March 2017.

Mr. Speaker, the Development Agreement and Agreement for Lease in respect of the redevelopment of the Par-la-Ville Road Car Park, City of Hamilton, is supported by the Ground Lease in respect of Par-la-Ville Hotel, City of Hamilton. These agreements are interdependent.

Mr. Speaker, the Government supports the approval of this Agreement.

This concludes my presentation of the Development Agreement and Agreement for Lease in respect of the redevelopment of the Par-la-Ville Road Car Park, City of Hamilton. I now invite other Honourable Members to participate.

**The Speaker:** Thank you, Minister.

The Chair will recognise now the Member from Pembroke East, MP Walter Roban.

MP Roban, you have the floor.

**Mr. Walter H. Roban:** Thank you, Mr. Speaker. I just wish to reiterate our position that we have already stated on the two previous motions that we have been dealing with. Our objection is not to the Leases themselves, but to the mechanism upon which they are brought here.

We would like the record to show an abstention by us on those matters when they come to a vote. Thank you.

**The Speaker:** Thank you, Honourable Member.

Would any other Honourable Member care to speak?

I recognise the Minister responsible. Minister Dunkley.

**Hon. Michael H. Dunkley:** Thank you, Mr. Speaker.

I move now the resolution, that this Honourable House, in accordance with section 14(5) of the Municipalities Amendment Act 2013, approve the Development Agreement and Agreement for Lease, dated 11<sup>th</sup> of April 2012, between the Corporation of Hamilton (the Landlord) and Par-La-Ville Hotel and Residences Ltd. (the Tenant) in respect of redevelopment of the land described as the "Premises" in the Ground Lease and in Schedule 1.

Thank you, Mr. Speaker.

**The Speaker:** Thank you, Honourable Member.

Are there any objections to that?

All those in favour, say Aye. Those against, say Nay.

**AYES.**

**The Speaker:** The Ayes have it.

*[Resolution passed: The House considered and approved the Development Agreement and Agreement for Lease in respect to the redevelopment of Par-la-Ville Road Car Park, City of Hamilton, between the Corporation of Hamilton and Par-la-Ville Hotel and Residence Ltd.]*

**The Speaker:** We will move on now to the next matter, which is Order No. 7, in the name of the Minister of Finance, the Customs Tariff Amendment (No. 3) Act 2013.

I recognise the Honourable Minister of Finance, Minister Bob Richards. You have the floor.

## **BILL**

### **SECOND READING**

#### **CUSTOMS TARIFF AMENDMENT (NO. 3) ACT 2013**

**Hon. E. T. (Bob) Richards:** Thank you, Mr. Speaker.

Mr. Speaker, I move that the Bill entitled the Customs Tariff Amendment (No. 3) Act 2013 be now read a second time and committed. In doing so, Mr. Speaker, I propose that the primary purpose of this Bill is to insert a new end-use duty relief in the Fifth Schedule to the Customs Tariff Act 1970, with a view of encouraging energy efficiency and conservation.

Mr. Speaker, the new end-use relief will provide for 100 per cent duty relief for specified goods, namely, apparatus equipment and machinery imported wholly and exclusively in connection with the business use of demand-side management systems, commonly known as DSM systems.

Honourable Members will be aware that one of the goals of the 2011 Energy White Paper is to encourage energy efficiency and conservation. One way in which to accomplish this goal is to make it easier to invest in what are generally very expensive technological solutions. A proposed method is through the implementation of concessionary rates on selected goods.

Mr. Speaker, I believe that most building owners and managers will agree that investments that can pay for themselves within three years are worthwhile. Certainly, lowering the substantial costs of large DSM projects will help in encouraging the uptake. Deep energy retrofits, those that are designed to save 30 per cent or more in energy expenditures, can cost hundreds of thousands of dollars. Standard duty rates added onto them mean the difference between going forward with that investment or not.

Honourable Members will appreciate that it is critical to the energy future of Bermuda that there is increased adoption of energy management technolo-

gies. Demand would be decreased on the national grid, which benefits all Bermudians in reducing the urgency for the utility to expand or even replace existing plant.

In the 2011 Energy White Paper, it set the goal of reducing electricity consumption by 20 per cent by 2020. And DSM systems can reduce consumption far more than that if widely adopted.

Mr. Speaker, the intent of this amendment is to relieve only major building system retrofits such as stored ice systems or building automation systems specifically targeting energy management.

Honourable Members will be aware that there are many lesser DSM measures available, such as simple weather-stripping, low-emissive glazing of windows, compact fluorescent and LED lighting fixtures, et cetera. Such DSM measures will be excluded from the relief, as they are already relatively affordable and, in some cases, already subject to concessionary duty rates.

Mr. Speaker, in order to ensure that relief is afforded only in respect of major DSM equipment apparatus and machinery, and that the simple, already relatively affordable DSM measures are excluded, the Director of Energy has been given a role in overseeing the relief. Accordingly, any authorisation of end-use relief will require the approval of the director. In practice, importers of goods of DSM systems will be obliged to seek the approval of the Director of Energy prior to application for duty relief.

Mr. Speaker, such goods imported with the benefit of duty relief will also require end-use customs supervision until needed, diverted or permission or destroyed. Accordingly, an end-use condition has been included requiring that the goods must be imported and used wholly and exclusively for demand-side management systems installed, or to be installed, for business purposes.

Mr. Speaker, I shall comment further on the measures of the Bill in Committee. I welcome the comments of other Honourable Members.

**The Speaker:** Thank you, Honourable Minister.

The Chair will now recognise the next speaker, whoever wants to speak. Otherwise, we will go right back to the Minister.

You want to speak, Honourable Member?

**Mr. E. David Burt:** No problem, Mr. Speaker. Yes.

**The Speaker:** The Honourable Member, David Burt, has the floor.

**Mr. E. David Burt:** Thank you very much, Mr. Speaker.

Mr. Speaker, as the Shadow Minister of Finance, I would say that our side will support this measure. Of course, there is a need for us to increase our energy efficiency. This is targeted toward busi-

nesses who may want to import these items. And as we have always said, conservation is definitely good for the economy. So we support these measures as they are laid. Thank you.

**The Speaker:** Thank you, Honourable Member.

Does any other Honourable Member care to speak?

The Chair recognises the Minister for Education and Business Development, is it?

**Dr. the Hon. E. Grant Gibbons:** And Economic Development.

**The Speaker:** And Economic Development. Education—the EED. Okay. All right. Education and Economic Development. Yes.

**Dr. the Hon. E. Grant Gibbons:** Close enough, Mr. Speaker. Thank you.

Mr. Speaker, I just wanted to make a couple of comments in support of my honourable colleague, Mr. Richards. As he noted in his brief, the Minister of Economic Development has been very involved in this, working with his Ministry and Customs to instigate these DSM, demand-side management systems.

Just by way of a little bit of background here, at this particular point, I think Honourable Members may be aware that there are a number of buildings in Hamilton which have actually implemented demand-side management. One of them was Cumberland House, which recently underwent quite a significant retrofit. And I think the rough numbers that I have been hearing is that, with changes in lighting and changes in managing air conditioning and the general climate of the building, they are probably saving about 30 per cent of their electricity costs over there.

Other buildings which have a demand-side management system in place include the Victoria Place and American International Group building. They have a system which is known as “thermal storage,” where they freeze ice and then they use the melting of that ice to absorb energy to help with the air conditioning over time.

The reason these systems are useful, as well, is because there are two ways to charge for electricity, as you may be aware of, Mr. Speaker. One is, what is sort of a straight rate per kilowatt hour, straight billing (which is true for most residential and small commercial), but larger commercial uses what is known as a “demand rate.” The demand rate includes a billing for the kilowatt hours, but it is modified according to what would be your peak usage.

So if you are in the middle of August, for example, and you are a large building and you have very high demand because of the heat outside and people running the air conditioning system. And that peak rate at that particular point of the month, and it is done

on a 15-minute schedule, and then gets used to increase your overall charge.

So the obvious issue here, Mr. Speaker, is if you can reduce your peak demand rate and keep it low, then your overall demand charge will be less than it would. Part of the reason for that, Mr. Speaker, is because, in order to be able to essentially provide electricity, the utility, BELCO in this particular case, has to be able to deal with these increases in peak demand. They have a system, which is known as “spinning reserve,” where you have got a generating set going over there, but it is not actually generating electricity. And the reason for that is because, if there is a spike in the middle of the day, as there might be in July or August around here when a lot of people have their air conditioning on, then BELCO needs to be able to compensate for that by having generation capacity in reserve over there. But that is costly because they are spending money to run the generators and everything else, even though they are not using it.

So, one of the reasons this demand-side charge is there is to essentially compensate for that need to be able to have the extra capacity for the increased demand. So, what these systems do is they allow a building or other facility to be able to reduce their peak demand, which reduces their overall rate. And as we have said, it is about, in some cases, at least with the current systems, about 30 per cent, which can be quite a significant saving if you are talking about thousands of dollars in a particular month for a building. I mean, some of these buildings are running \$100,000 or so a year in electricity charges.

The other thing which is important here, Mr. Speaker, is that, because of these demand-side management, you can also—particularly with these what are called thermal-storage batteries . . . They are a bit like those blue ice cubes that you put in a cooler during the summertime to keep your (I will say) coleslaw cold—

**The Speaker:** My beer.

**Dr. the Hon. E. Grant Gibbons:** Maybe your beer as well, Mr. Speaker.

*[Laughter]*

**Dr. the Hon. E. Grant Gibbons:** It depends on how you like to use them.

But it is the same principle here. You freeze those blue ice packs, and then you use them later in the cooler. And as they melt slowly, they absorb heat. The same principle applies here in some of these buildings. I mentioned that AIG has an ice system like that as well.

But perhaps most importantly, Mr. Speaker, we see a number of food wholesalers who would like to introduce these systems into their warehouse facilities, and also some of the grocery stores would be

able to use this as well, where you freeze these ice packs, if I can put it that way, at night when demand is down, and then you can use them during the day. And it helps to reduce the number of times that compressor has to come on, which is expensive every time that compressor comes on for your refrigerator; I think we all know that. So it helps to smooth that out.

We do not have this yet, but this is something I think we are going to be talking to the utility about. In other places, there are different rates charged for different times of the day. So, in the middle of the night when demand is low, they charge a lower rate than they do in the middle of the day. The whole point here being that, if you can freeze this ice pack at night and then use the benefit of that during the day, you also reduce your charge of electricity because you are dealing with a lower rate at night.

We are not quite there yet, Mr. Speaker, but it is something, obviously, we would like to address. So those are two ways in which these systems can be quite beneficial. As my honourable colleague said, one of the issues here, as well, is if we can reduce the overall electricity demand, then we do not have to put in additional expensive generating sets over there. We can effectively be more energy-conservation wise in this country. We import less diesel, less heavy fuel oil, obviously, foreign currency earnings, but just overall reducing the cost of energy. As we know from the White Paper, I think one of the goals there was to try and do that by some 20 per cent.

So, this particular approach is, we hope, a very useful and beneficial approach both for individual building owners and also for wholesalers involved in the food area. Obviously, we as a Government are hoping that some of these savings get passed on to eventual consumers as well, perhaps reducing the price of wholesale goods, food goods or even at a grocery store level as well. So, Mr. Speaker, there is a very broad benefit here which is why the Government feels this is an important customs duty rebate to bring up today. Thank you, Mr. Speaker.

**The Speaker:** Thank you, Honourable Minister.

Is there any other Honourable Member who would care to speak?

If not, I will recognise the Minister in charge here, Minister Bob Richards. You have the floor.

**Hon. E. T. (Bob) Richards:** Thank you, Mr. Speaker.

If there are no other comments, I now move that the Bill be committed.

**The Speaker:** Are there any objections to the Bill being committed?

There are none.

So I would ask that the Deputy Speaker, please, take the Chair [of Committee].

[Pause]

## House in Committee at 12:06 pm

[Mrs. Suzann Roberts-Holshouser, Chairman]

## COMMITTEE ON BILL

### CUSTOMS TARIFF AMENDMENT (NO. 3) ACT 2013

**The Chairman:** Honourable Members, we are now in committee of the whole [House] for further consideration of the Bill entitled [Customs Tariff Amendment \(No. 3\) Act 2013](#). I call on the Minister in charge to proceed.

Minister, you have the floor.

**Hon. E. T. (Bob) Richards:** Thank you very much, Madam Chairman.

I now move clause 1, which is the citation.

Clause 2 amends the Fifth Schedule of the Customs Tariff Act 1970 Act. It is amended to have the following CPC codes: Clause 2 inserts a new end-use CPC code of 4209 in the Fifth Schedule of the principal Act. Also, CPC 4209 will provide end-use relief in respect of equipment apparatus and machinery, on condition that such goods are imported and used for demand-side management systems installed or to be installed for business purposes, with the objective of increasing energy efficiency by lowering energy demand or energy use, or both.

The authorisation of the end-use relief under CPC 4209 is subject to the approval of the Director of Energy.

Madam Chairman, "business" is defined for the purposes of CPC 4209 to mean "the supply of goods and services for consideration and not-for-profit supplies of goods and services as made otherwise than in a personal capacity."

I think those are all the clauses, Madam Chairman.

**The Chairman:** Thank you. Are there any Members that would like to speak to clauses 1 and 2?

Thank you. The Chair recognises the Shadow Minister of Finance. You have the floor.

**Mr. E. David Burt:** Thank you very much, Madam Chairman.

The question that I have for the Minister (and hopefully, he can answer it) . . . Or maybe the Minister for Economic Development and Education and Energy may be able to answer the question.

But, how many of these systems have currently, I guess, existed in Bermuda in large commercial environments? Are there any that are currently on-Island? I guess that would be the question. I understand they are very expensive. I understand they are cost prohibitive. And I understand that we would not be able to refer to customs records, because now we are creating something separate of where these

things would fall under. But I was wondering if the Minister and/or the Minister who speaks for Energy could speak to if there are any of these systems which currently exist, currently, right now. Thank you.

**The Chairman:** Thank you.

Are there any other Members?

Thank you. The Chair recognises the Minister of Finance.

**Hon. E. T. (Bob) Richards:** I think we are making this Amendment here today, Madam Chairman, because people would like to import these systems, but they find it prohibitively expensive with paying customs duty, all of this up front. So, we are doing this to enable systems to come to Bermuda. I do not believe anybody has—

*[Inaudible interjections]*

**Hon. E. T. (Bob) Richards:** Victoria Place? Okay. So we do have some that have already paid the freight. Maybe my colleague can . . .

**The Chairman:** Thank you.  
Minister?

**Dr. the Hon. E. Grant Gibbons:** Thanks, Madam Chairman.

I think I said in the whole House that there were a couple of buildings that have these systems. Victoria Place, when it was built, because of the LEED [Leadership in Energy and Environmental Design rating system] designation, others put in DSM systems. But I think, as my honourable colleague, Mr. Richards, said, they are very expensive and that up front capital cost is often a deterrent for people putting in new ones.

The particular use that we are thinking about today, apart from larger office buildings, hotels, possibly, would also be things like wholesalers, who have to have large food storage areas, which are very expensive to run, and these systems would be very useful in terms of reducing their overall electricity cost. But we are trying to stimulate that—the Minister is—by putting this in so that they will have incentive to pay for these systems without having to pay the customs duty as well. So it is a broad benefit. Thank you.

**The Chairman:** Thank you.

Are there any other Members?

Thank you. The Chair recognises the Shadow Minister of Finance. You have the floor.

**Mr. E. David Burt:** Thank you very much, Madam Chairman.

So, in saying that and knowing that the Government would want and would like revenue, is there any anticipation that this is a short term to actually

provide incentive? Or is this something that is being considered as an open-ended commitment?

**The Chairman:** Thank you.  
Minister?

**Hon. E. T. (Bob) Richards:** I do not think it is short term. I think the energy situation is going to continue on. I do not think we are envisaging any sort of sun-setting of this in the foreseeable future.

**The Chairman:** Thank you.  
The Chair recognises the Minister of—

**Dr. the Hon. E. Grant Gibbons:** Thank you, Madam Chairman.

I think there was a little bit of indication in the Shadow Minister's remarks that somehow Government would be losing revenue here. The conclusion we have come to is that a lot of businesses and buildings are unlikely to do this unless they have some sort of an incentive. A few have already, but we think we can get much broader uptake if we have this customs duty incentive. Thank you.

**The Chairman:** Thank you.  
The Chair recognises the Shadow Minister of Finance. You have the floor.

**Mr. E. David Burt:** Thank you, and hopefully, Madam Chairman, this will be the last time I stand to my feet.

I thank the Minister, both the Ministers, for their comments. I think the one thing that I want to, I guess, make clear is that it is an open-ended commitment. If there is going to be importing that is going to happen, the Government is going to lose revenue. The Government has made revenue off the systems which were previously imported, because there were no such concessions in place for those systems.

I support encouraging other companies to go ahead and import those systems; I think it is good. However, I do believe, and I am sure the Minister of Finance understands, that when you provide incentives, if you provide them on a short-term basis, at least have them expire. It actually incentivises behaviour, as opposed to it being an open-ended commitment, which can sometimes lead to problems, which I am sure that he has seen in some of the budgeting challenges which he currently has.

So with that, Madam Chairman, as I said before in the whole House, this side supports this measure, and we hope that it will lead to increased energy efficiency in Bermuda. Thank you.

**The Chairman:** Thank you.

Are there any other Members that would like to speak to clauses 1 [and] 2?

There are no other Members.  
Minister, you have the floor.

**Hon. E. T. (Bob) Richards:** Madam Chairman, I would like to move clauses 1 and 2, please.

**The Chairman:** It has been moved that clauses 1 [and] 2 be approved.

Are there any objections?

Agreed to.

[Gavel]

[Motion carried: Clauses 1 and 2 passed.]

**Hon. E. T. (Bob) Richards:** Madam Chairman, I would like to move the Preamble.

**The Chairman:** It has been moved that the Preamble be approved.

Is there any objection to that motion?

No objections.

Agreed to.

[Gavel]

**Hon. E. T. (Bob) Richards:** Madam Chairman, I would like to move that the Bill be reported to the House.

**The Chairman:** It has been moved that the Bill be reported to the House as printed.

Are there any objections to that motion?

There are no objections.

Agreed to.

[Gavel]

[Motion carried: The Customs Tariff Amendment (No. 3) Act 2013 was considered by a Committee of the whole House and passed without amendment.]

[Pause]

**House resumed at 12:14 pm**

[Hon. K. H. Randolph Horton, Speaker, in the Chair]

## **REPORT OF COMMITTEE**

### **CUSTOMS TARIFF AMENDMENT (NO. 3) ACT 2013**

**The Speaker:** Yes. We have just completed the Second Reading [and Committee stage] of the Customs Tariff Amendment (No. 3) Act 2013, which has been approved by the House.

I understand that you would like to do Order No. 11, and then [Order No.] 9?

**An Hon. Member:** Order No. 9 is carried over.

**The Speaker:** [Order No.] 9 is carried over? All right.

So then, we move to Order No. 11, in the name of Minister Dunkley:

That this Honourable House authorise, in accordance with section 37(1) of the Municipalities Act 1923, the giving of a guarantee up to a maximum of \$18 million by the Corporation of Hamilton, for the purpose of developing a hotel on the site of the Par-la-Ville Car Park.

The Chair will recognise the Member, M. H. Dunkley. Minister Dunkley, you have the floor.

## **MOTION**

### **AUTHORISATION OF MAXIMUM GUARANTEE OF \$18 MILLION BY CORPORATION OF HAMILTON, FOR DEVELOPING A HOTEL PAR-LA-VILLE CAR PARK SITE**

**Hon. Michael H. Dunkley:** Thank you, Mr. Speaker.

I move that consideration be given to the following motion, notice of which was given on the 29<sup>th</sup> of November 2013:

That this Honourable House authorise, in accordance with section 37(1) of the Municipalities Act 1923, the giving of a guarantee up to a maximum of \$18 million by the Corporation of Hamilton, for the purpose of developing a hotel on the site of the Par-la-Ville Car Park.

**The Speaker:** Are there any objections?

Minister Dunkley, please carry on.

**Hon. Michael H. Dunkley:** Thank you, Mr. Speaker.

I am pleased to move that motion that I just read out and to provide background supporting the information with respect to this motion.

Mr. Speaker, Honourable Members will know the importance of hotel development to Bermuda's tourism. A new hotel has the potential to boost our economy and to create jobs. Mr. Speaker, Bermuda's hotel supply is made up of many different types, ranging from large-scale hotels to small boutique hotels, apartments, cottage colonies, B&B's [bed and breakfast] and inns. Additionally, there are private rental homes and apartments that are filling a specific niche.

Mr. Speaker, Bermuda currently has 48 operating licensed hotel properties and a total of 5,265 licensed beds, or 2,532 rooms. The past few years have shown signs of recovery in hotel supply; the hotel supply, however, continues to face major challenges, including outdated facilities and the dire need for investment.

Mr. Speaker, although Bermuda offers charming accommodations like our unique cottage colonies, it has long been accepted that Bermuda hotels in general do not meet the international levels of leading island destinations. Bermuda lacks an adequate supply of high-level and luxury rooms with the facilities



and services which compete with the best hospitality offers internationally. Further, Mr. Speaker, there are far too few beds to support and sustain our tourism sector, generally.

Mr. Speaker, the Corporation of Hamilton has embraced the need for having a first-class five-star brand within the City of Hamilton. Such a facility will provide critically needed luxury hotel accommodations to meet the demands of the affluent business traveller that visits the city. By having a project developed upon the site of the Par-la-Ville Car Park, the corporation seeks to redevelop a piece of underperforming prime real estate for the benefit of Bermuda.

Mr. Speaker, in recent years, economic concerns have affected world markets. As a result, consumer and business confidence has been eroded and major investors of all kinds have proceeded with caution. Financing structures and requirements have changed, and developers are required to be far more creative in their pursuit of financing partners.

Mr. Speaker, until recently, there was no statutory provision for the Corporation of Hamilton to provide a collateralised third-party guarantee on its property. Honourable Members will recall, however, that section 37 of the Municipalities Act 1923 was amended in October 2013 to provide that guarantees for specific purposes made by the corporation and approved by the Legislature are permissible.

Mr. Speaker, this amendment provides the corporation with the flexibility it requires to add value to the hotel development project at the Par-la-Ville Car Park site. Mr. Speaker, the Corporation of Hamilton proposes to facilitate a mortgage transaction for the purposes of assisting a hotel developer to obtain financing for the development of a hotel in the City of Hamilton. Any guarantee extended by the Corporation of Hamilton to any developer for the specific purpose of developing a hotel on the site would be subject to conditions for the various licences required in accordance with the Companies Act 1981.

Therefore, Mr. Speaker, there are appropriate checks and balances in place that will be used to protect the assets and protect the land in the best interest of the people of Bermuda.

Mr. Speaker, the Corporation of Hamilton has confidently embarked upon this course of action in good stewardship of the City of Hamilton and for the betterment of the people of Bermuda.

The Government looks forward to the realisation of a five-star hotel on the site of the Par-la-Ville Car Park, and the Government supports the approval of this agreement.

Mr. Speaker, this concludes the presentation. I look forward to comment from Honourable Members. Thank you.

**The Speaker:** Thank you, Honourable Minister.

The Chair will first recognise the Honourable Member from Pembroke [East], MP Walter Roban. You have the floor.

**Mr. Walter H. Roban:** Thank you very much, Mr. Speaker.

I wish to be the first respondent on this motion: That this Honourable House authorise, in accordance with section 37(1) of the Municipalities Act 1923, the giving of a guarantee up to a maximum of \$18 million by the Corporation of Hamilton, for the purpose of developing a hotel on the site of the Par-la-Ville Car Park.

Let me firstly say, Mr. Speaker, I wish to congratulate the corporation for its efforts in bringing about this development, which, we all would know, has been many years in the making. The efforts to make use of the Par-la-Ville area for a hotel has been a, perhaps, long-suffering development effort by the corporation. One might argue that some of that suffering was self-inflicted by previous administrations of the corporation, and that . . . because we often heard announcements made about developers of other hotels, of other partners that they had presumably made arrangements with, and then those announcements then disappeared into the wilderness, irrespective of the support the Government of the day had given them for that. But we often found this particular effort frustrated.

To my knowledge, sometimes, as I said, that was not always necessarily from an external issue; it was sometimes internal, by [their] own internal issues that previous administrations of the corporation had. Because this has been going on for at least almost 10 years, [that] we have seen efforts to try and do something with that Par-la-Ville property.

The previous administration also sought to assist the corporation with ensuring that this development took off. So, it is perhaps timely and appropriate that this Government has, itself, taken it on and decided to facilitate the corporation with this particular development.

It is unfortunate, perhaps, that it has just taken this long, in that it was unfinished business that had been long been put together by the existing corporation, and that earlier this year this could not have been completed so that jobs, investments and opportunities that such development would bring about could have already started. But, better late than never.

So, I will leave my comments pretty much to that, applauding the current corporation for their efforts here. Obviously, this is connected to the previous two passes that we have just given. And our position stands as to the issues around the Municipalities Amendment Act that has facilitated even this motion that is here. So, we will not say much on this. We merely applaud the corporation for its work, and we look forward, like every other Bermudian, to some development that can ensure some opportunities, some

investment, and the creation of jobs in the country. Thank you.

**The Speaker:** Thank you, Honourable Member.

Would any other Honourable Member care to speak?

The Chair recognises the Shadow Minister of Tourism, the Member from Hamilton West. MP Wayne Furbert, you have the floor.

**Hon. Wayne L. Furbert:** Thank you, Mr. Speaker.

Mr. Speaker, I am hoping that this is the final part [of work] that the corporation and the developer, Mr. Mike MacLean, has [to do] to move ahead as speedily as possible to get the work done out there at Par-la-Ville and get some jobs for Bermudians.

Mr. Speaker, you will recall that the Opposition at that time, now the Government, was critical of the property up there in Par-la-Ville, and said that [it] would never take place. They felt that it was just out of the park, that it would not be working.

I will be honest with you. I am just a little disappointed that it has taken this long, Mr. Premier, to bring one simple—one simple motion to this House to approve that the corporation has the right to attach that property to a mortgage. We probably could have by this time put some shovels in the ground, people back to work. Now we have got to still go through a whole process, because there is still work to be done, probably after this, by the developers. And we probably will not see any real shovels in the ground until maybe late 2014, maybe 2015.

We are late. And the Government came in with this move that they will be pushing things ahead, and we have been denied, I think, the opportunity for Bermudians to really get things going. Because you are talking about cement, you are talking about restaurants in the area, you are talking about truck drivers, and the list goes on and on that we could have created. At the time when we were talking and having discussions with developers, we were talking about at least 600 jobs—600 jobs! More money in the coffers of the Minister of Finance, as far as payroll tax.

So I believe that the Government has taken too long, too long to move this process ahead. It has been one year. That should have been the first thing on the agenda. As a matter of fact, I would have thought, it was my view, that they could have done it under section 144 of the Companies Act. I still do not know why they could not have allowed the foreign company to attach . . . Maybe the Minister of Economic Development can explain that, why the Minister could not have allowed that to take place.

But again, I think that the people of Bermuda have suffered because of the Government's failure to move as quickly as possible. We are now at the 12<sup>th</sup> hour, really 12 months, 12 months, 12<sup>th</sup> hour, to move this ahead. But the corporation has been persistent. Mike MacLean has been persistent. He has taken a

lot of licks from different sectors with this in his community, who felt that he should not have been the developer, moving ahead. But I glory in his spirit. He kept at the wicket, despite the Government did not see the light to move this ahead way back in February, because they said they looked under the hood. This particular hood was clean. This hood was clean. And the Minister of Economic Development, the Minister, Dr. Grant Gibbons, who had responsibility under Development, should have brought this thing to the House way back, and quickly, particularly when we rushed it through the summertime, talking about coming back here to get some urgent things done. We could help the country, and of course, taking less money off the Minister . . . of Financial Assistance, and cut that budget down.

But again, the Minister of Finance would have to approve another budget for Financial Assistance because they will not be able to start this project, probably, next year, unless planning moves. Because, Mr. Speaker, you may not be aware that there is a big BELCO line up there that has still got to be removed! It has got to be removed! So we are talking about at least another year, year and a half maybe, at the most, unless planning is able to move quickly, unless planning is able to move quickly. Maybe that is why they put the Minister of Travel, because he is the Minister who can move things ahead quickly, as I understand that part. So maybe that is why we understand why this is here tonight, because we know that the Minister of Travel, Moniz, can move things quickly and get things done.

So, I glory in the spirit. And so I am asking now that every Minister, and the Minister of Economic Development should be calling a meeting with Mike next week to see, *What can we do?* Now that it has been approved, it will have to go through the Senate. *What can we do?* Environment, planning, finance, I do not know what it is, tourism, of course. I know the Minister of Tourism has been behind it, supports it, because he wants to support and get tourism in the numbers as much as we do. So, thank you, BELCO. Thank you, Mike MacLean, for being persistent. Thank you.

**The Speaker:** Thank you, Honourable Member.

I am going to recognise the Honourable Premier, because it is 12:30.

**Hon. L. Craig Cannonier:** Thank you, Mr. Speaker.

I move now that we break for lunch until 2:00 pm.

**The Speaker:** Thank you.

Members, the House is adjourned to 2:00 pm.

[Gavel]

**Proceedings suspended at 12:30 pm**

## Proceedings resumed at 2:02 pm

*[Hon. K. H. Randolph Horton, Speaker, in the Chair]*

### MOTION

#### **AUTHORISATION OF MAXIMUM GUARANTEE OF \$18 MILLION BY CORPORATION OF HAMILTON, FOR DEVELOPING A HOTEL PAR-LA-VILLE CAR PARK SITE**

*[Continuation of debate thereon]*

**The Speaker:** Members, we are continuing with Order No. 11 a motion moved by Minister M. H. Dunkley:

That this Honourable House authorise, in accordance with section 37(1) of the Municipalities Act 1923, the giving of a guarantee up to a maximum of \$18 million by the Corporation of Hamilton, for the purpose of developing a hotel on the site of the Par-la-Ville car park.

We will continue that debate.

The Chair will recognise any Member who would care to continue.

The Chair recognises the Honourable and Learned Member Shawn Crockwell, the Minister for Tourism and Transport.

You have the floor.

**Hon. Shawn G. Crockwell:** Yes, thank you, Mr. Speaker.

Mr. Speaker, I think that it is important that we recognise that . . . and certainly, in my position as the Minister of Tourism, I want to stand and support this particular motion because of some of the reasons that have already been articulated in that we in Bermuda are in dire need of development. We are in dire need of additional inventory for our tourism product—we need more beds—we need to bring the right type of brands to Bermuda so that we can be more competitive. We all understand that. We have had these similar discussions before, and I believe that the Honourable Member who spoke just prior to the lunch break, worked very hard when he was the Minister in trying to bring development—hotel development, in particular—to Bermuda—

**An Hon. Member:** This one in particular.

**Hon. Shawn G. Crockwell:** And this one in particular.

The Honourable Member interpolated saying *this specific one*. He did yeoman time and effort into this particular project.

The reason why it is important, Mr. Speaker, is because if we have this particular development . . . although the motion itself is talking about a development on the Par-la-Ville car park, we have been talking the particular development that has been going on

for some time as it relates to the St. Regis hotel. And that would generate significant jobs for Bermudians.

That is a focal point of this Government. We need to create jobs. I believe that the former Tourism Minister is quoted as saying that this project can create 600 jobs. It will stimulate the economy. It will help redefine tourism for Bermuda. It will give us more inventory, give us more brands on the Island, and those are very important. And I think we all agree in this House that we need to achieve that. We need to achieve it.

I think that there is also agreement in the House that this particular development has had its challenges over the years. And, Mr. Speaker, we can recall that there were writs filed against the financier. We can recall that there were deadlines missed. There were leases that were breached; there were new leases that were signed. There have been challenges as it relates to this particular project. And we have challenges in this country in attracting development as we see our competitors in the south having hotels built left, right and centre, whilst we remain in this difficult position of not being able to attract major hotel development.

That is why this Government had the investment summit to engage blue-chip developers to find out what we are not doing so we can correct that and get development here.

But I have concerns when the Honourable Member, Wayne Furbert, would get up in this House and criticise the Government, which is today, through this motion, supporting the corporation in being able to give a guarantee. And let us be clear, this negotiation, this project is between the Corporation of Hamilton and the developer. This is not a situation with the Government and the developer. And that is an important distinction, because that makes it that much more difficult for the Government (which the previous administration would have experienced) when we do not own the land. When we do not control that, we are here to facilitate. We are here to encourage.

**Mr. Walter H. Roban:** Point of order, Mr. Speaker.

**The Speaker:** What is your point of order?

**Mr. Walter H. Roban:** I am concerned that the Honourable Member is unintentionally misleading the House and the public. We support what is being done—

**The Speaker:** He is not misleading the House, Honourable Member . . . please.

**Mr. Walter H. Roban:** I had the impression, Mr. Speaker—

**The Speaker:** Honourable Member, please—

**Mr. Walter H. Roban:** That was the impression—

**The Speaker:** Please—

**Mr. Walter H. Roban:** I just want to make clear, Mr. Speaker—

**The Speaker:** He is not misleading the House.

**Hon. Shawn G. Crockwell:** Thank you, Mr. Speaker.

As I was saying, because we are not the principal parties in this particular relationship and this particular development, the Government has the role of trying to encourage and support where we can. And so we do not have a direct influence. Our influence is somewhat fettered because we do not own the land.

But when the Honourable Member, the former Tourism Minister, gets up and criticises this Government for being late, it frustrates me. And that becomes a theme—that has been a theme, Mr. Speaker, with many of the issues—that the Government—this Government—is grappling with and resolving, and we hear . . . and we have only been in . . . we have not even reached one year yet, but we hear this stuff about, *What took you so long?*

But we are trying to get it done. We are trying to get it done. The fact of the matter is, the former administration did not get it done. That is the fact.

*[Inaudible interjection]*

**Hon. Shawn G. Crockwell:** Did not get it done.

My criticism is not whether or not the Opposition supports this motion. My criticism is, do not get on your feet and criticise us for being late—

**Hon. Wayne L. Furbert:** Point of order, Mr. Speaker.

**The Speaker:** The Member said nothing that is out of order. Please take your seat.

**Hon. Wayne L. Furbert:** Mr. Speaker, he did.

**The Speaker:** Please take your seat.

**Hon. Wayne L. Furbert:** Mr. Speaker, I have—

**The Speaker:** There is not . . . there is—

**Hon. Wayne L. Furbert:** Mr. Speaker, I have a right as a Member of Parliament—

**The Speaker:** What is your point of order?

#### POINT OF ORDER

*[Misleading]*

**Hon. Wayne L. Furbert:** Thank you very much. The Honourable Member is misleading this House. We did not drop the ball on this particular—

**The Speaker:** He is not misleading the House.  
Honourable Member, please take your seat.

**Hon. Shawn G. Crockwell:** Thank you, Mr. Speaker.  
Mr. Speaker, my criticism is that time and time again . . . if the Honourable Member would have taken to his feet and said, *We support this motion. We wish the Government well and we will do what we can to help support and facilitate this*, then I would have been happy. But to criticise the Government of taking too long, of being late, it frustrates me because that Honourable Member was Minister of Tourism for a year—the same amount that this Government has been in office—and he could not get it done!

**Hon. Wayne L. Furbert:** Mr. Speaker, point of order.

**The Speaker:** Honourable Member, yes, what is the point of order?

**Hon. Wayne L. Furbert:** The point of order is this Honourable Member is misleading this House.

**The Speaker:** I do not see where he is misleading the House and, therefore, I am not accepting that as a point of order so please take your seat.

**Hon. Wayne L. Furbert:** Mr. Speaker, you have to—

**The Speaker:** Please take your seat!

**Hon. Wayne L. Furbert:** Mr. Speaker—

**The Speaker:** Honourable Member,—

**Hon. Wayne L. Furbert:** Mr. Speaker—

**The Speaker:** Honourable Member, I said that you indicated that he is misleading the House and I am saying that I agree that he is not misleading the House.

**Hon. Wayne L. Furbert:** But you have not heard my point of why he is misleading the House, Mr. Speaker.

**The Speaker:** What [Standing] Order are you speaking to? What rule are you speaking to?

**Hon. Wayne L. Furbert:** The point of order that he is misleading the House.

**The Speaker:** But it is not . . . what rule are you speaking to?

**Hon. Wayne L. Furbert:** A rule . . . whatever it is. I do not know what the rule is.

**The Speaker:** Yes, Honourable Member . . . Honourable Member . . . Honourable Member, please, take your seat.

**Mr. Derrick V. Burgess, Sr.:** Mr. Speaker, point of order.

**The Speaker:** Yes.

**Mr. Derrick V. Burgess, Sr.:** Mr. Speaker, with all due respect, every Member in this House has a right to bring a point of order. And as the Speaker you must hear them out. Now, you can rule after you hear them out; but you cannot sit us down before the point is made.

**The Speaker:** Honourable Member, may I say this, all right? Honourable Members are getting up, and, in fact, you know, if you are getting up . . . and there has been no real reason being given.

*[Inaudible interjection]*

**The Speaker:** Honourable Member, I heard you before. I heard you.

**Hon. Michael J. Scott:** Mr. Speaker, it occurs to me, sir, with the greatest of respect, that even the office of the Speaker cannot presume to be in the head of a former Minister. With all of the information that that Minister would have had, he may well have something in his experience that you could not possibly be aware of.

**The Speaker:** Honourable Member, thank you—

**Hon. Michael J. Scott:** And I do say that in defence of my friend.

**The Speaker:** Thank you for that.  
Honourable Member, please, carry on.

**Hon. Shawn G. Crockwell:** Thank you, Mr. Speaker.  
I believe that what I have stated was not controversial. It was factual that the Honourable Member was the former Minister of Tourism and his tenure was for approximately a year. And it is the case that while he was the Minister of Tourism this project was high on the agenda of the former administration. It is a fact that the Honourable Member did a great deal of work to try and get the project going.

In matter of fact, I can recall that in April of 2012, the Honourable Member gave a press statement and he said that there has been considerable progress in this particular development coming on line. And he talked about how he was bringing the

parties together because there was some antagonism at the time between the Corporation and the developer, and the Honourable Member was trying to facilitate coming together—something that I applauded at the time.

But let us just talk about . . . he is talking about what is taking us so long. The Honourable Member—of all Members in this House—should understand the complexities of this project. So do not criticise the Government for trying to get this done within our first year in office. It is disingenuous. That Honourable Member knows.

And then in May of 2012, he had a press conference with the mayor and the developer. In fact, I recall he said he was so happy he thought he was going to cry. I remember that press conference. And he went on . . . and during that press conference he said, *We bring now closer to reality the construction of this new hotel. It is going to create 600 jobs.* Now, we all knew what was coming later on in 2012, Mr. Speaker, but, like everybody else in the country, we were hopeful that the honourable former Minister was going to get it done.

That was in May of 2012. It did not happen. It did not happen. No shovel went into the ground, Mr. Speaker. And I know . . . I heard the Honourable Member saying now, *Why?* It is certainly not because of anything that happened from the Opposition.

*[Inaudible interjection]*

**Hon. Shawn G. Crockwell:** Exactly.

Why? There are complexities with these types of developments. So do not get up and try to give the impression that somehow this Government has stymied any progress with this project. The opposite, Mr. Speaker, is the case. This Government has worked hard to help support and facilitate this process.

Now, Mr. Speaker, we need to come together. You know, Bermuda is in some difficult times right now. We have our people who are not employed. We have a tourism industry that has been in decline for 30 years. We see that a lot of work is being done to help reinvigorate international business. But if we continue on this line of finding a way to criticise the Government just to criticise, then Mr. Speaker, I do not think we are doing our jobs in this House. If we support this motion, let us support the motion.

Now I heard someone also say, *Well, let's see if we get it done.* This project is not on the shoulder of the Government, and it was not on the shoulder of the previous Government. So we understand why you had challenges. But do not come here and say, *What is taking you so long?* That is not appropriate when you—

**Hon. Wayne L. Furbert:** Point of order, Mr. Speaker. Point of order.

**The Speaker:** What is your point of order?

**POINT OF ORDER**

*[Misleading]*

**Hon. Wayne L. Furbert:** The point that we had mentioned was [Standing Order] 11(3)(a). Do you know that?

*[Laughter]*

**Hon. Wayne L. Furbert:** All right. Okay.  
The point is . . . we said, *What took so long*—

**The Speaker:** Hold, hold, hold on a minute for me. Hold on for me one minute.

*[Crosstalk]*

**An Hon. Member:** [Is it] (a) or (e)?

**An Hon. Member:** [It is] (a).

**An Hon. Member:** Right here, Mr. Speaker.

**The Speaker:** No, no, no, I can see very clearly . . . I can see very clearly.

Yes. Go ahead. And so what is the objection?

**Hon. Wayne L. Furbert:** Mr. Speaker, the Honourable Member is misleading this House on the fact that we are supporting this particular motion today, and that the idea that the former Government delayed it, or it was involved in not getting things done . . . he already admitted that it had to do with the Corporation of Hamilton and the developer. But above all, what we said was that the motion could have been brought earlier this year.

**The Speaker:** All right. Okay. Thank you, Honourable Member. Thank you.

Carry on, please.

*[Crosstalk]*

**Hon. Shawn G. Crockwell:** Yes. Yes, thank you, Mr. Speaker.

Mr. Speaker, we need to work together. The Honourable Shadow Minister of Tourism and I are friends. And one thing I know about the Honourable Shadow Minister is that he cares about this country, and that this is not the only issue that we are going to be dealing with in this Honourable House going forward. I am hoping that we can work together on some of these major issues.

I am hearing some talk about different things, and we saw earlier a call for a vote and then the vote ended up being abstention from the other side. It is just politics, Mr. Speaker. It is politics. And as long as

we play politics, we are not going to be able to maximise on the intellectual capital that we have in this House. As long as we have the division, we are not going to be able to work together to get things done.

So, Mr. Speaker, all I am saying is that I am standing as the Tourism Minister, giving the Minister responsible for this particular motion my full support, because we need hotel development in this country for the hotel industry, for creating jobs for our people, for getting Bermuda back where we deserve to be in terms of the tourism discussion around the world. We need to support it. Let us stop trying to create criticism when it is not there—especially. I am going to have this same speech again on another debate that I am anticipating coming up. Okay? Because we hear about what took you so long to bring a referendum Bill. Okay? We are getting it done, Mr. Speaker.

**The Speaker:** Yes, yes, leave the referendum—

**Hon. Shawn G. Crockwell:** I will leave that alone.

**The Speaker:** Leave that alone—

**Hon. Shawn G. Crockwell:** I will leave that alone.

**The Speaker:** —because that is . . . you are anticipating debate.

**Hon. Shawn G. Crockwell:** Yes, Mr. Speaker, because I would be anticipating.

**The Speaker:** Leave that alone.

**Hon. Shawn G. Crockwell:** But the point I am making is that we are getting things done. We are getting things done that the former Government did not get done—that the former Government had 14 years to get done and did not get it done.

*[Crosstalk]*

**An Hon. Member:** That is true.

**Hon. Shawn G. Crockwell:** This Government is going to get it done.

Thank you.

**The Speaker:** All right. Thank you, Honourable Minister.

The Chair now recognises the Member from Pembroke [West Central], MP David Burt.

You have the floor.

**Mr. E. David Burt:** Thank you very much, Mr. Speaker.

Mr. Speaker, before I get to my specific questions for the Minister in charge, I just have a few comments. And the comments I would like to make on

this, Mr. Speaker, are that I believe that the Shadow Minister of Home Affairs on this side made our position very clear.

We are abstaining to these moves for the particular reason, which was stated, that we did not support the Municipalities Bill that went through. We believe that it was bad law. We believe it is bad law for a Government to look to retroactively approve and/or reject leases which were done by parties which were able to make those leases at the time. Any contractual agreement—and this Government is looking to approve or validate them—we do not agree. And that is the reason why it was abstained.

The Honourable Minister who just sat down may call it “politics,” but we call it “principle” because we had the principle when this Bill was originally debated, and we will continue with the principle going on all these various items, because we do not believe that things that were done in the past should be undone. That is the way it should be, Mr. Speaker, and that is our view. Private contracts between two parties that are able to enter into a contract and a lease should not then be later invalidated or validated by another body. And that is the reason, Mr. Speaker, that we are abstaining.

It is not politics, it is principle. And so that is the reason why we are sticking to that. So I reject the Minister’s assertion that this is a political move. This is about something that we did not support before, and we are not going to be a party to it right now.

Now, Mr. Speaker, let me move on, because it seems as though the Minister went through great pains to say that the Government is not a party to this agreement. Well, Mr. Speaker, if the Government did not want to be a party to this agreement then why did they change the Municipalities Act in the first place, which is requiring it to come here?

The Government clearly has done their due diligence. This clearly went through Cabinet. They decided that they need to review what the Corporation of Hamilton is doing because they want to have oversight of what the Corporation of Hamilton is doing, and that is the reason why we are here today to discuss. So they have done their review, they have made their due diligence, and now they feel that this is something that they want to support and put their names behind to bring to this House.

I would assume that this lease has been vetted. I would assume that all these agreements have been vetted. It has been supported by Cabinet and that is the reason they are bringing it here. So I do not accept that this is not something that the Government is involved in. I do not accept that this is about the Corporation of Hamilton and a private developer, because that is what it was before and it was that way until this Government—against our objections—changed the law.

So now, Mr. Speaker, they are a party to this agreement and therefore they should be answering these questions.

Now, Mr. Speaker, the Minister says that he supports this development. I would ask if he could please, in his ability to respond when he has a chance to respond, enlighten us on the due diligence that was done that has led the Government to support this \$18 million guarantee. And the reason why I ask it, Mr. Speaker, is I just want to be sure . . . I want to get an understanding as to why the Government feels comfortable moving forward, because we have heard statements in the past that Members on the other side have not felt as though this is something that will go forward . . . that they are not comfortable with it.

I guess the question is, Mr. Speaker, what has changed? What has led them to go from a position of not comfortable, not going to work, to *We now support it and this should move forward*?

I think that that is something that is very key. Because when we are talking about an \$18 million guarantee there is a question that at some point in time, via contingent liability, the Government could be liable. And I think that this is very important because if something were to go wrong, if we are going through this and going through the Parliament, then this is the \$18 million that we could be responsible for in this House.

I would like to know what due diligence was done. And, clearly, I would love to hear from the Minister of Finance as to whether or not he feels comfortable with the terms of this guarantee, whether or not he feels comfortable that the Corporation of Hamilton has the assets to back it, that there does not seem to be any problem; whether he feels comfortable in the management of the project and the management over the Corporation of Hamilton to go ahead and push this forward so there is no liability or contingent liability on the people of Bermuda.

Now, Mr. Speaker, the final thing that I would say is we have heard a lot during previous debates, when we were talking about the Municipalities Act, about whether or not tendering was done correctly, et cetera. Now this project has been through many different phases—I think it was Mayor Bluck, then it was Mayor Gosling, then it was the current administration—it has been through many different phases. But if memory serves correctly, Mr. Speaker, there was no tender. That is, that we have heard things about . . . there was a question of tender.

So I am questioning as to why the Government, which has said that they do not believe that things should not be tendered, is supporting this agreement if, in their view, it was not tendered and it did not follow the process. Is it because it was done by Mayor Bluck and Mayor Gosling that is not . . . that it is okay? Because it was done by them we are going to assume that it is fine, or is it for a different reason?

And the final question I have, Mr. Speaker, is because previously the Honourable Minister of Public Safety who speaks for Home Affairs in this House said that he is confident that the hotel will operate and open on—I think it was March 2017 . . . that is what he said in the last one. Okay? And all I would like to ask, Mr. Speaker (going back to the question which I asked before), is, What due diligence has the Government done and to what extent (I guess) have they reviewed the plans and the financing, the project, et cetera, to come to this House and be confident that they are going to state that they believe that this hotel will open, after this is passed, on March 31, 2017?

Thank you, Mr. Speaker.

**The Speaker:** All right. Thank you, Honourable Member.

The Chair will now recognise the Honourable Minister of Finance, Bob Richards.

You have the floor.

**Hon. E. T. (Bob) Richards:** Thank you, Mr. Speaker.

I have listened with interest to this debate so far. I think that sometimes in the House we kind of get carried away with ourselves, with our rhetoric, and end up sort of having a bridge too far.

What we have before us is a tabling of basically the permission to allow the Corporation of Hamilton to guarantee a debt. The Government of Bermuda is not guaranteeing the debt. We are not approving of the debt. We are not approving of the project. What we did is, we passed legislation to enable the Corporation of Hamilton to conduct the business of development of the City of Hamilton.

The legislation that we passed before here allowed the Corporation to enter into a guarantee if they wanted to. This motion here is in no way a stamp of approval by the Government of Bermuda. It is not. It is allowing the Corporation of Hamilton to do what they want. Because prior to passing the legislation, the Corporation of Hamilton did not have the ability to guarantee a loan, to put up a mortgage property . . . to mortgage a property that is owned by the Corporation for this purpose. They did not have the ability to do that. We are allowing them to do that.

Mr. Speaker, one of my favourite quotes (and I have quoted it before to you) was by Churchill at the end of the Battle of Britain where he said, "This is not the end. It is not . . . the beginning of the end." But it may be just "the end of the beginning." In this case, Mr. Speaker, this is not the end of the beginning. We are not going to build a hotel with \$18 million, are we?

Honourable Member, are we going to build a hotel with \$18 million? I do not think so. They have got houses in Bermuda that are worth more than \$18 million, much less a hotel. So we are not going to build a hotel for \$18 million.

You know, if the Government of Bermuda were coming up here saying that we have the stamp

of approval on a hotel in Bermuda and we are going to back it, I would be getting up here and saying that the Government of Bermuda would be giving a guarantee for \$350 [million], \$400 million for a hotel. I am not saying that, am I? I am not saying that.

We have been approached to guarantee this here—the Government of Bermuda—and I said no. I do not mind telling anybody; I said no. So the Corporation of Hamilton has got the power to guarantee this. This basically is just a bridging loan to get to the next step of financing. That is what this is. This is not the Honourable Member's, Mr. Furbert's, dream of putting a hotel up there. You cannot build a hotel anywhere in Bermuda for \$18 million. So this is not the end. It is not even the beginning of the end. It is not even the end of the beginning. It is none of those things.

What it is, is that we have allowed . . . we are here to recognise and give the Corporation of Hamilton the ability to guarantee, basically, a down payment so that the developer can move on to the next level of financing. But, Mr. Speaker, if he does not get that next level of financing, this is not going anywhere.

*[Inaudible interjection]*

**Hon. E. T. (Bob) Richards:** All of those 600 jobs that we are talking about will continue to be what they were before, which is figments of our imagination. Things on our wish list. That is what they are. We are not there yet. We want to be there—the former Minister wanted to be there—we all want to be there, but we are not there. So let us not take a bridge too far on this thing.

We are approving here the Corporation of Hamilton's ability to take this developer to the next step. The next step does not get him to the finish line.

*[Inaudible interjection]*

**Hon. E. T. (Bob) Richards:** Not at all.

Now, unless anybody in this room can tell me and show me where you can build a hotel in Bermuda for \$18 million, then I will admit that I am wrong. It cannot happen.

So let us not get carried away with our rhetoric about what we want and what we think we support and what this is. This is what it is shown to be. It is what it is. And it is not a stamp of approval, as the Honourable Member would like people to think, by the Bermuda Government on this whole financial arrangement. It is not. It is not.

*[Inaudible interjections]*

**Hon. E. T. (Bob) Richards:** You are showing your very minimal knowledge of finance—

**The Speaker:** Speak, speak, speak to the—



**Hon. E. T. (Bob) Richards:** Very minimal—

**The Speaker:** Speak to the Chair.

**Hon. E. T. (Bob) Richards:** —knowledge of finance.

But you know what, Mr. Speaker? It is what it is because anybody can tell you that you cannot build a hotel for \$18 million. If we were here discussing anybody's guarantee for \$350 [million] or \$400 million, then we would say, *Okay, it is all wrapped up in a nice little package and it is ready to go.* But it is not. This is no final piece.

*[Inaudible interjection]*

**Hon. E. T. (Bob) Richards:** That is the most nonsensical thing I have ever heard. It is no final piece.

*[Inaudible interjection]*

**Hon. E. T. (Bob) Richards:** Yes. That is why you could not get it done. You do not understand how this thing works.

This is no final piece. This is an interim piece. We are allowing people to go to the next step. You could not get to the main step without going through this step. We are allowing that to happen. We are not saying that we approve it or anything, because it is not our guarantee, Mr. Speaker. It is not the guarantee of the Government of Bermuda. I can assure everybody of that because that was . . . that came to my desk and I said no.

So if the Corporation of Hamilton wants to guarantee this, they want to put a piece of property to collateralise that guarantee, fine. We are saying, *Yes, you can go ahead and do that because it might just work out.* But we do not know if it is going to work out because the whole package is not finished. So let us not get carried away. This is not even the end of the beginning.

**The Speaker:** Thank you, Honourable Minister.

Any other Honourable Member care to speak?

If no other Member cares to speak, I recognise now the Minister in charge.

Minister Dunkley, you have the floor.

**Hon. Michael H. Dunkley:** Thank you, Mr. Speaker.

I appreciate the comments of my honourable ministerial colleagues in this.

Mr. Speaker, I move the resolution.

Mr. Speaker, I now move: That this Honourable House authorise, in accordance with section 37(1) of the Municipalities Act 1923, the giving of a guarantee up to a maximum of \$18 million by the Corporation of Hamilton, for the purpose of developing a hotel on the site of the Par-la-Ville car park.

Thank you, Mr. Speaker.

**The Speaker:** Thank you.

Are there . . . we have had the motion put for the House to authorise this guarantee.

All those in favour, say Aye. Those against, say Nay.

**AYES AND NAYS.**

**The Speaker:**

The Ayes have it.

*[Motion carried: The House authorised the giving of a guarantee up to a maximum of \$18 million by the Corporation of Hamilton, for the purpose of developing a hotel on the site of the Par-la-Ville car park.]*

**The Speaker:** All other Orders, I am told, are to be carried over. Is that correct?

**Hon. L. Craig Cannonier:** Yes.

**The Speaker:** Premier, then I move to you.

Sorry, the . . . we have . . . oh, the Member is not here. So we will—

*[Crosstalk]*

**The Speaker:** It is the Private Members' Bill. It is the Private Members' Bill, Honourable Members.

Honourable Member Cole Simons will speak for Ms. Outerbridge.

## PETITION

### BEECHWOOD BERMUDA INTERNATIONAL [LTD.] ACT 2013

**Mr. N. H. Cole Simons:** Mr. Speaker, I move the following petition together with the Report of the Joint Select Committee on Private Bills which was presented on December 6, 2013:

The Petition by Re Finance Ltd. requesting the enactment of a private Act as set out in the Bill entitled the Beechwood Bermuda International [Ltd.] Act 2013 requesting flexibility in certain respects when structuring its long-term insurance policies.

## PRIVATE BILL

### FIRST READING

### BEECHWOOD BERMUDA INTERNATIONAL LTD. ACT 2013

**Mr. N. H. Cole Simons:** Mr. Speaker, I move for leave to introduce and read for the first time by its title [only] the following Private Bill: Beechwood Bermuda International Ltd. Act 2013.

Mr. Speaker, I move that the prayers of the petitioners be granted and to give effect thereto that without prejudice leave be granted to bring in the proposed Bill reprinted to accord with recommendations of the Joint Select Committee on Private Bills for the amendment thereof.

His Honour the Speaker stated that the necessary certificates had been furnished.

Mr. Speaker, I move that the said Private Bill be now read for the first time in the House by its title only: Beechwood Bermuda International Ltd. Act 2013.

**The Speaker:** Are there any objections to that? No.  
Carry on, Mr. Simons.

## SECOND READING

### BEECHWOOD BERMUDA INTERNATIONAL LTD. ACT 2013

**Mr. N. H. Cole Simons:** I move that the said Private Bill be now read the [second] time by its title only: Beechwood Bermuda International Ltd. Act 2013.

I move that under provisions of Standing Order 33(7)(a) the remaining stages of the said Private Bill be taken forthwith. I move that the said Private Bill be read the second time in the House by its title only: Beechwood Bermuda International Ltd. Act 2013.

I move that the clauses and Preamble of the said Private Bill be approved.

## THIRD READING

### BEECHWOOD BERMUDA INTERNATIONAL LTD. ACT 2013

**Mr. N. H. Cole Simons:** I move that the said Private Bill be read the third time in the House by its title only and passed.

**The Speaker:** Thank you.  
Are there any objections to that Private Bill?  
There are none.

*[Motion carried: The Beechwood Bermuda International Ltd. Act 2013 was read a third time and passed.]*

**Mr. N. H. Cole Simons:** Mr. Speaker, I have two further—

**The Speaker:** You have two others, I think, yes.

## PETITION

### ST. GEORGE'S LIMITED ACT 2013

**Mr. N. H. Cole Simons:** I move the following petition with respect to the Joint Select Committee on Private Bills which was presented on December 6, 2013.

The petition by Re Finance Limited requesting the enactment of a Private Bill as set out in the Bill entitled the St. George's Limited Act 2013 requesting flexibility in certain respects when structuring its long-term insurance policies.

Mr. Speaker, I move for leave to introduce and read for the first time by its title the following Private Bill: St. George's Limited Act 2013.

## PRIVATE BILL

## FIRST READING

### ST. GEORGE'S LIMITED ACT 2013

**Mr. N. H. Cole Simons:** Mr. Speaker, I move that the prayers of the petitioners be granted and give effect thereto that without prejudice leave be granted to bring in the proposed Bill reprinted to accord with the recommendations of the Joint Select Committee on Private Bills for amendment thereof.

[His Honour the] Speaker stated that the necessary certificates had been furnished.

Mr. Speaker, I move that the said Private Bill be now read for the first time in the House by its title only: St. George's Limited Act 2013.

I move that under provisions of Standing Order 33(7)(a) the remaining stages of the said Private Bill be taken forthwith.

## SECOND READING

### ST. GEORGE'S LIMITED ACT 2013

**Mr. N. H. Cole Simons:** I move that the said Private Bill be read the second time in the House by its title only: St. George's Limited Act 2013.

I move that the clauses and the Preamble of the said Private Bill be approved.

## THIRD READING

### ST. GEORGE'S LIMITED ACT 2013

**Mr. N. H. Cole Simons:** I move that the said Private Bill be read the third time in the House by its title only and passed.

**The Speaker:** Thank you.  
Are there any objections to the reading of that St. George's Limited Act 2013 Private Bill?  
There are no objections.  
Carry on, MP Simons.

*[Motion carried: The St. George's Limited Act 2013 was read a third time and passed.]*

## PETITION

### BRIDGE RE LIMITED AMENDMENT ACT 2013

**Mr. N. H. Cole Simons:** Mr. Speaker, I move the following petition together with the report of the Joint Select Committee on Private Bills which was presented on December 6, 2013. The petition by Bridge Re Limited requesting the enactment of a Private Act as set out in the Bill entitled the Bridge Re Limited Amendment Act 2013 requesting that legislation may be enacted to amend the Bridge Re Limited Amendment Act 2013.

Mr. Speaker, I move for leave to introduce and read for the first time by its title the following Private Bill: Bridge Re Limited Amendment Act 2013.

## PRIVATE BILL

### FIRST READING

#### BRIDGE RE LIMITED AMENDMENT ACT 2013

**Mr. N. H. Cole Simons:** Mr. Speaker, I move that the prayers of the petitioners be granted and to give effect thereto that without prejudice leave be granted to bring in the proposed Bill reprinted to accord with the recommendations of the Joint Select Committee on Private Bills for the amendment thereof.

His Honour the Speaker has stated that the necessary certificates had been furnished.

Mr. Speaker, I move that the said Private Bill be now read for the first time in the House by its title only: Bridge Re Limited Amendment Act 2013.

I move that under the provisions of Standing Order 33(7)(a) the remaining stages of the said Private Bill be taken forthwith.

## SECOND READING

#### BRIDGE RE LIMITED AMENDMENT ACT 2013

**Mr. N. H. Cole Simons:** I move that the said Private Bill be read the second time in the House by its title only: Bridge Re Limited Amendment Act 2013.

I move that the clauses and Preamble of the said Private Bill be approved.

## THIRD READING

#### BRIDGE RE LIMITED AMENDMENT ACT 2013

**Mr. N. H. Cole Simons:** I move that the said Private Bill be read the third time in the House by its title only and passed.

**The Speaker:** Thank you, Honourable Member.

Are there any Members objecting to that?

There are no objections so those three Private Bills have been moved.

*[Motion carried: The Bridge Re Limited Amendment Act 2013 was read a third time and passed.]*

**The Speaker:** I now recognise the Minister of Finance, Minister Bob Richards.

## SUSPENSION OF STANDING ORDER 21

**Hon. E. T. (Bob) Richards:** Thank you, Mr. Speaker.

Mr. Speaker, I move that [Standing Order] 21 be suspended so that we may read the Customs Tariff Amendment (No. 3) Act 2013 for the third time by its title only.

**The Speaker:** Are there any objections?

All right, carry on Minister.

*[Motion carried: Standing Order 21 suspended.]*

## THIRD READING

### CUSTOMS TARIFF AMENDMENT (NO. 3) ACT 2013

**Hon. E. T. (Bob) Richards:** Mr. Speaker, I move that the Bill do now pass.

**The Speaker:** All right. It has been moved that the Bill be now passed.

Any objections to that?

There are none, so the Bill is passed.

Thank you.

*[Motion carried: The Customs Tariff Amendment (No. 3) Act 2013 was read a third time and passed.]*

**The Speaker:** I now recognise the Honourable Premier.

## ADJOURNMENT

**Hon. L. Craig Cannonier:** Thank you, Mr. Speaker.

I move that we now adjourn until the 13<sup>th</sup> of December 2013, Friday, at 10:00 am.

**The Speaker:** All right. Thank you.

The Chair recognises the Honourable Member from Hamilton West, MP Wayne Furbert.

You have the floor.

## STATEMENTS MADE BY MR. DAVID DODWELL, INTERIM CHAIRMAN OF TOURISM AUTHORITY

**Hon. Wayne L. Furbert:** Thank you, Mr. Speaker.

Mr. Speaker, I became aware of a statement made by the . . . I guess the interim chairman of the Tourism Authority, Mr. David Dodwell, which has disturbed me. And there are a few of them. As a matter of fact, he has disturbed me on quite a few things about which I would have thought the Government would have said something. But the first one is where the chairman has talked about allowing tourists to drive cars, which I find . . . to be honest with you, I am hoping that the Minister of Tourism has had a word with the Minister of Transport, and how bad it is for the Island—

*[Inaudible interjections and crosstalk]*

*[Gavel]*

**Hon. Wayne L. Furbert:** —and particularly the Minister of Environment, Planning and, of course, the Premier.

Mr. Speaker, can you image that 8,000 people getting off the ship up there in Dockyard, and at least 2,000 maybe 1,000 who are able to get on a vehicle and drive out of Dockyard around the Island? We have talked over the years about the quality of life in Bermuda. We cannot allow everything just because customers may say they want it. It is a quality of life that we have to also protect.

Way back in 1994, in fact before then, when Bill (I think it was Bill) Williams, the former Minister of Transport, years back had talked about allowing Bermudians to drive cars (and you can recall, Mr. Speaker) every other day based on the number of their car licence. That was way back 20, 30 years ago. And now the congestion on our streets is even more. And if we allow . . . just imagine trying, first of all, for them to park around town and on and on.

Now there may be a happy medium. And I know that we can do certain things with residents, but we cannot . . . I am hoping the Minister of Transport does not buy into that idea that tourists need to drive cars. There have been no polls, no information that said that tourists are not coming to this Island because they cannot drive a car—there is nothing out there. So I am hoping that the Minister of Tourism will speak to that Honourable Member and say he is stepping out of line when it comes to talking of such nonsense.

I remember once when I was the Minister of Transport, and I thought it was stupid then, about allowing of young kids at the age of 15 to come out to CedarBridge riding bikes. I regret that today. I have had people who jumped all over me, Mr. Speaker, but no one . . . Mr. Hayward, no environmentalist, no one who normally speaks about a quality of life in Bermuda has spoken out and said things about Mr. David Dodwell, and that is wrong.

So he does not support for . . . on this side, if the Minister was to bring that idea to the House.

Now, Mr. Speaker, here is another shocking thing which I heard the Minister *[sic]* talk about which affects you, Mr. Speaker.

**The Speaker:** The Minister or the Chairman, which one?

**Hon. Wayne L. Furbert:** Chairman, sorry. I get them mixed. Well, *de facto* Minister. I am just getting a little bit mixed up.

But the Chairman has said that members of the Tourism Authority are going to be paid \$20,000.

**An Hon. Member:** What?

**Hon. Wayne L. Furbert:** Twenty thousand dollars. I know the Premier . . . that is the first time he has heard that one.

*[Inaudible interjection]*

**Hon. Wayne L. Furbert:** The Chairman has said that members will be paid \$20,000. Now, it may be also the Chairman is going to get more than that.

But, Mr. Speaker, I cannot believe that the Government is going to allow . . . well, first of all, as a matter of fact, they handed the whole thing over to the Board, maybe they can do certain things. But we know that that Minister can . . . I am not even sure whether he can give direction to the Board right now on those issues. But he said on the talk show yesterday there are two or three foreign . . . non-Bermudians from overseas which will sit on the board. Those individuals, I am assuming, Mr. Speaker, get \$20,000, plus all their accommodations, their food, for bringing them in for board meetings.

Where are we going, Mr. Speaker? We will not allow our members, Bermuda Land Development Corporation, as an example . . . for years members have got \$25.00 for sitting on the board or \$50.00 for sitting on a board. We are now going to allow an authority, because they think they know it all now, to be paying members \$20,000 a year?

*[Inaudible interjection]*

**Hon. Wayne L. Furbert:** We end up, as Backbenchers and Opposition, probably take home, net, maybe \$3,000 a month or \$36,000 a year. They are going to get 75 per cent, basically, of what we are making sitting on a board that is put together by the Government.

Mr. Speaker, you were a former member of the Tourism Board. I would have loved to have said to my members in those days, *We'll give you \$20,000*. There would have been a cry from this public. It would have been a cry to say that here is . . . and the word "corruption" and everything else would have been in-

cluded in that had we allowed members to be paid \$20,000 at that time.

So I am asking for this Honourable House, and particularly the Premier, to send a message to the Minister of Tourism and say that this cannot happen. We cannot set up that [precedent].

Here they are in charge of \$30 million. You have got a Hospitals Board who is in charge of . . . who knows?(I mean, the numbers are significant) and are paid \$25.00 to \$50.00 a meeting (unless they have changed since the time I have been there). But it is the same. We have got our BLDC (Bermuda Land Development Corporation), which is not a quango, but we cannot allow that board to approve certain things. And they come . . . if we had paid ourselves \$1,000 a meeting, there would have been an outcry from this community.

Mr. Speaker, I do not care that those people come from Timbuktu. We cannot set the [precedent] in this. The Minister cannot set the precedent to allow members from that board to be paid \$20,000 a year. What makes them worth \$20,000 a year more than what you were paid, Mr. Speaker, as a member of the board? What makes them worth \$20,000 more than David Dodwell when he was on the board? What makes them think that they can get \$20,000 that we had . . . the General Manager of Southampton Princess sitting on the board and Elbow Beach, and the list goes on and on? What makes them more important?

Because they are now a Tourism Authority?

I do not accept that. I do not accept that. They love Bermuda. If they loved Bermuda, they would do it out of the [good] will of their hearts. Now if they want to allow them paying \$25.00 or \$50.00 a meeting and bringing those people from overseas . . . which I, first of all, I disagree that Bermudians cannot be members of the board. And we have got foreigners coming here talking about . . . they are going to tell us . . . who do not even know where Shelly Bay Beach is?

Where are we going, Mr. Speaker? Where are we going when we are selling this country on the road and we do not believe that Bermudians are qualified to make things happen? Something is going wrong. We are . . . something is going . . . Mr. Premier, because . . . Mr. Speaker, you can see how upset I am. You can see how upset I am. We are sending the wrong message.

You just cut back Ministers. You just cut back Ministers, and they are going to take the taxpayers' money and give it to these board members. They are going to have a field day—a field day—because there is no control and accountability to a Minister. Now you know why at the end of the day we had to have certain . . . and this is just the beginning.

They also mentioned they cannot . . . they are not going to rent a Government.(Government is going to call the *de facto* Minister now) they are not going to call . . . or rent a Government . . . or take up a Gov-

ernment office because they want to be separate from the Government. They can be in a Government building and pay less rent.

Where are we going?

Have we lost our minds?

Is David Dodwell that powerful that he should have the right to do what he wants? I cannot believe that.

Well, Mr. Speaker, I am hoping that the Cabinet will tell the Minister that it is unacceptable in this time of the year, particularly when people are suffering. Take that \$20,000 and help out Mrs. Smith on top of Crawl Hill who cannot find a turkey.

**An Hon. Member:** Turkey?

*[Inaudible interjections and crosstalk]*

**Hon. Wayne L. Furbert:** Mr. Speaker, I do not think the Cabinet . . . particularly the Honourable Member, Michael Dunkley, is making fun of this. There are people out there who will not be able to have a turkey this Christmas. People are still being laid off. HSBC has got people going out the end of this month. But we are willing to . . . the SAGE Committee says, *Cut those Members of Parliament. Cut them to a dollar because they are not worth it.*

When are we going to feel the worth for ourselves?

*[Inaudible interjection]*

**Hon. Wayne L. Furbert:** When is it worth . . . there are Members who are Members of the OBA who are out there saying that there are . . . that Members of Parliament should get a dollar.

**An Hon. Member:** You said the SAGE Commission.

**Hon. Wayne L. Furbert:** Okay? But they did say—

*[Inaudible interjections]*

*[Gavel]*

**Hon. Wayne L. Furbert:** They did say that the . . . the SAGE Commission did say that the Members of Parliament should be cut, I think it was 15 per cent. When are we going to feel our worth? When are we going to feel our worth?

There are individuals on the other side who can afford to take a dollar . . . there are Members that could afford a dollar, but the board, Mr. Speaker, is what is prevalent out here.

*[Inaudible interjections]*

**Hon. Wayne L. Furbert:** We cannot send that message—\$20,000 a year that . . . and they said they

were going to take a vote. Well, if David Dodwell says it is going pass, it is going to pass.

I am assuming, Mr. Speaker, that the Honourable Member spoke to the Minister before he went out on radio land and told the country that the members would get \$20,000. I said I could not believe it. He only spoke for about 45 minutes and got himself in trouble the whole 45 minutes. He will not be back on Sherri Simmons Show because she asks tough questions.

Mr. Speaker, we are not out of the woods. The Minister will bring a Budget in February, and I cannot see why the Minister of Works cannot find an office. It does not have to be . . . I mean, if you are seeing today's papers and the last couple of weeks of the ads that are running for the tourism, I cannot believe it. A real estate person—outsourcing. A real estate person! To do what?

They are hiring more staff, Mr. Speaker, than the Tourism Department has and probably will ever have. Because a lot of managers today are not paid . . . they may pay . . . they may have less but the dollar value that they are paying . . . and I can probably . . . Mr. Speaker, I can grant you, I can almost . . . I could be wrong. And I understand that the new CEO is coming in January. Mr. Speaker, most likely that is what . . . well, the Chairman said the new CEO will come in January.

**An Hon. Member:** You said April.

**Hon. Wayne L. Furbert:** Okay? He is coming in January.

I can guarantee that dollar value is probably about [a] \$300,000 package—easily. Easily. But we are not, Mr. Speaker. You and I are not worth it.

*[Inaudible interjections]*

**Hon. Wayne L. Furbert:** Not worth it, Mr. Speaker, to pay them—

*[Gavel]*

**Hon. Wayne L. Furbert:** Okay? It is not worth it. I am sure the B-L-D, the Bermuda Development Corporation is probably paying about \$300,000. Nobody speaks about them. Just get rid of those little people on top of the hill and pay them a dollar. Reduce our salary down 15 per cent.

Mr. Speaker, if we do not stand up and protect and show some value for ourselves, who is going to speak up for us?

*[Crosstalk]*

**Hon. Wayne L. Furbert:** Mr. Speaker, it is wrong that we have got to find . . . first of all, I said about the value and the quality of life in Bermuda. We cannot allow

that to happen. I am hoping the Minister of Transport will look at that seriously and not bring some stupid . . . and Cabinet will not support that.

Second, I am hoping that the Minister of Tourism will send a message to the Honourable David Dodwell and tell him (*de facto* Minister) that it is unacceptable for board members to be paid. By the way, I am sure if he said it like he said, that the Minister had already told him . . . had given his blessings. But the Minister can stand up in a few minutes and tell us whether that is true or not. I am hoping that it is not true. I am hoping that the member [misspoke] and he meant to say \$20.00 or \$200.00 or \$2,000. But \$20,000, Mr. Speaker, is unacceptable.

So, Mr. Speaker, on those few comments I am hoping that the public in Bermuda is listening. When you are asking for a sacrifice, the Minister of Tourism is allowing his new board to pay his members \$20,000-plus—because the dozen members coming from overseas will not be taking \$20,000 out of their pocket to pay for them to come here for their air fare, hotel accommodation and the food.

Thank you, Mr. Speaker.

**The Speaker:** All right. Thank you, Honourable Member.

*[Gavel]*

*[At 2:57 pm, the House stood adjourned until 10:00 am, Friday, 13 December 2013.]*

