



Association of Bermuda International Companies

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NEWS RELEASE

FOR IMMEDIATE RELEASE

Hamilton, Bermuda, February 24th, 2012. After an initial review of today's Budget Statement, ABIC supports the Government's commitment to targeting a reduction in deficit and debt levels over the medium to long term. In addition, ABIC is pleased to see that payroll taxes and their corresponding thresholds will be maintained at last year's levels with modest fee increases on other items limited to 3%.

Acknowledging the difficulties in framing a budget in the current economic climate, Mr George Hutchings, Chairman of ABIC, did however caution that meaningful deficit and debt reductions can only be achieved with tangible improvements in new revenue sources as well as providing increased certainty to our existing business partners. Given Bermuda's unique business model and highly mobile customer base, the cost of doing business plays an important role in the ability to generate additional revenue streams and to maintain existing revenue sources from the International Business sector.

ABIC recognizes that in the current depressed economy there is a short term need for a prudent level of stimulus. In addition, we commend the Government on the formation of the Business Development unit of the Ministry of Development and Tourism, with the objective of retaining existing business, and attracting new business to the Island. We believe there is an urgent need to formulate and execute substantive strategies which maintain and grow international business, tourism and additional revenue sources. Mr Hutchings confirmed that, "ABIC is committed to a transparent dialogue with the Government to consult on key international business policies as well as sharing information and data that will help to further develop Bermuda as the welcoming domicile of choice for those companies that are here and those that may be created here in the future."

ABIC, the voice of international business, represents more than 130 international companies incorporated in Bermuda.