



BERMUDA TRADE UNION CONGRESS

Affiliated with International Confederation of Free Trade Unions

P.O. Box HM 2080
Hamilton HM HX
BERMUDA
Telephone: (441) 292-6515 Fax: (441) 292-0697

February 11, 2014

The Hon. Craig Cannonier, JP, MP
Premier
The Cabinet Office
105 Front Street
Hamilton HM 12

Dear Mr. Premier,

The Bermuda Trade Union Congress is fully cognizant of the economic challenges that the Country is facing in addition to the fiscal stress the Government is experiencing. The BTUC understands the urgency the Government is placing on reducing the fiscal stress by reducing operating costs. We are alarmed by recent public statements made by the Minister of Finance in reference to introducing new legislation, and statements supporting Government reduction in expenditure which exceed the recommendations of the SAGE Commission. The BTUC remain ever watchful with Government's action in relation to these matters.

The BTUC strongly urge the Government to engage in meaningful dialogue with all stakeholders before any new legislation is tabled in the House of Assembly that will have adverse effects on our membership. In particular legislation that will compliment the proposed 'Public Services Reform' and legislation that aims to make easier the process of privatization. The BTUC will not sit back idle and allow the Government to disregard the Unions as a critical stakeholder in this process.

The BTUC reiterates statements made by our affiliates the Bermuda Public Services Union and the Bermuda Industrial Union in a Joint press statement on December 12, 2013 which stated:

The Unions support the position that the Estimated Government deficit for 2013/2014 of \$331 million is unsustainable. We believe that a deficit reduction plan must be put in place. The deficit reduction plan should address ways in which Government can reduce cost and increase revenue collection over a defined period of time. We agree with the SAGE Commission in that "any deficit reduction plan put in place requires a time frame that allows the economy to adsorb cost reduction measures". The Unions welcome dialogue with the Government on the development and implementation of a long term strategic plan consisting of 3 to 5 years that will be beneficial for all of Bermuda.

The Unions feel that the 'Glide Path' outlined in the SAGE Commission Final Report (pages 137-140) includes:

Reduction of Capital expenditure by the amount of the increase in the debt interest cost of the national debt, thus keeping the debt deficit number neutral.

Not supporting across the board equal expenditure reductions for each department. However eliminating all unnecessary activities/programmes identified by Departments.

Each Department looking at reducing general (non-personnel) operating expenses such as foreign consultants and other overseas expenditure.

The Unions also support the recommendation that each Ministry look at reducing funding of grants and contributions to organizations that are not considered quangos or a corporation. The Unions however do not support the abolishment of all post which are budgeted but not filled, but would support the freezing of funds associated with those posts.

Proposed reductions in personnel cost should be administered through a similar process used by the Unions and the Government to establish the current MOU. We find this process to be one of transparency and collaboration between the parties. The process exemplifies what can be achieved when the Unions are consulted as critical stakeholders.

Member Unions and Associations:

Bermuda Federation of Musicians & Variety Artists	Bermuda Fire Services Association	Bermuda Industrial Union
Bermuda Public Services Union	Bermuda Union of Teachers	Electrical Supply Trade Union
Bermuda Police Service (Associate Member)	Bermuda Prison Officers Association	

The BTUC strongly recommend that the upcoming Budget that will be presented to the House of Assembly honour the spirit of the MOU between the BTUC and the Bermuda Government dated July 22, 2013, and is not used to reduce jobs, the rights of workers and their benefits.

The BTUC is respectfully requesting the Government's position as it relates to the above mentioned matters, by Tuesday February 18, 2014.

Respectfully,

A handwritten signature in dark ink, appearing to read 'Allan Wilkinson', written in a cursive style.

Allan Wilkinson,
President