

2018 REPLY TO THE THRONE SPEECH

NOVEMBER 16, 2018

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LEADER OF THE OPPOSITION



GOOD JOBS AND
ECONOMIC GROWTH



QUALITY
EDUCATION



LOWERING
HEALTH COSTS



CLIMATE
ACTION



GENDER
EQUALITY



DEBT



CRIME AND
JUSTICE



INNOVATION AND
INFRASTRUCTURE



One Bermuda Alliance

Mr Speaker, Bermuda is not in a good place right now. Retail sales are in the doldrums. Taxes are at an all-time high. Shootings are continuing. Our national debt is rising. Employment income has fallen. GDP is down. The volume of retail sales is down. Schools are crumbling and healthcare costs are higher than they have ever been. In short we are on a path of perpetual contraction, heading towards an economic abyss.

The OBA's record in government was one to be proud of in terms of what we achieved. Before the 2017 election we were on track to balance the budget in fiscal 2018/19. Major projects were either being completed or had broken ground. Business confidence was once again on the rise. The opportunities for Bermudians were bearing fruit. Jobs for Bermudians were being created.

Mr Speaker, the Premier has been, he says, boldly pursuing a third economic pillar to rival that of our International business sector and tourism. The Premier's efforts, however, are falling short - far short. Where are the promised jobs for Bermudians? Fintech was barely a whisper in this year's Throne Speech. Despite numerous PLP promises, despite numerous MOUs, the number of Bermudian jobs created by the PLP thus far seems to amount to zero.

The only tangible pieces to the Premier's so-called third pillar are fast-tracked unadvertised work permits for a handful of FinTech entrepreneurs and the sale of Bermudian land and a building on Victoria Street to a foreign-owned company with no Bermuda track record. So much for the PLP protecting land for Bermudians. So much for the PLP creating jobs for our people.

In the OBA's four and a half years at the helm we started the construction of an airport, realized the construction of the Loren, the renovation of the Hamilton Princess, the commencement of Azure, St Regis and Morgan's Point hotels. And we facilitated the transaction completion at Tucker's Point.

All of these OBA projects continue to create real and tangible jobs and opportunities for all Bermudians.

The "*North American Airport Deal of 2017*" is proceeding as per plan, on schedule, on budget and according to specifications. In the process it continues to employ many Bermudians and Bermudian-owned subcontractors and suppliers.

Even more staggering, **Mr Speaker**, is the Burt administration taking credit for 322 more people working in Bermuda, which is directly related to projects started under the OBA. The amount of double-speak we have been subjected to by the PLP makes me think the Premier believes Bermudians are gullible. I know that we are not.

Mr. Speaker, the Government's policy of job creation appears to be ensuring travel agents are kept employed by the number of trips racked up in as short a time as possible by the Premier and his unreported entourage. It is simply not good enough. And it is desperately disappointing.

If we do not change course, and change course quickly, we are doomed to end up in another self-induced economic slump. This was the reality of the previous PLP administration, in which Premier Burt was Junior Minister of Finance.

Despite the fact the US economy is in a very strong position, Bermuda is falling short. The PLP is quick to blame outside forces when things go wrong on their watch, so what's the excuse now? If things don't change, and change fast, Bermuda will be the fallen star of the North Atlantic. The fact is -- despite the Premier's

cheerleaders lauding his recent policy offerings -- we are actually chasing the tail of a recession.

Mr. Speaker, it seems to me that the Burt Administration is playing a perpetual shell game. Only the Premier dares to be so bold as to pretend to the people of Bermuda that he has saved the taxpayer money by reducing the number of Government Ministries. Yet at the same time, he increases the number of Ministers. In real terms, the salary bill has gone up by some 20%.

This time last year this same Premier tried to make the people believe he was saving money with a smaller Cabinet, but each Minister was put on a full-time salary - thereby costing the taxpayer more than the previous OBA Cabinet. I ask again - does the Premier think the people of Bermuda are gullible? We are not.

Mr. Speaker, in 2012, we were on the brink of total economic disaster. Where would Bermuda be without the Tourism Authority?

Imagine where Bermuda would be without all the major hotel and infrastructure since 2012. Where Bermuda would be without the massive \$300 million boost we received from the America's Cup? Imagine where

Bermuda would be if the OBA Government had not made some of the tough decisions to pull all of us back from the precipice. The truth is this: we would be in deep, deep trouble.

Mr. Speaker, the recent economic indicators show that Bermudians were better off in the first quarter of 2015 than the first quarter of 2018. We have compared the data from 2015 so that no-one can say there was an artificial increase because of the America's Cup. When you include the GDP boost in 2017 due to the America's Cup, the PLP numbers for the first quarter of 2018 become even more dismal in contrast to the successes of the OBA.

The fact is, despite the Premier's claims that things are better, they simply are not. Just look around you. The only positive numbers the Premier can highlight are the OBA's doing. The economy is now flat-lining. Where, **Mr. Speaker**, is our much needed economic stimulus going to come from?

The legacy of the America's Cup has been squandered by the PLP. All the capital projects started under the OBA will eventually come to an end. The economy seems to be slipping backward, evidenced by the negative trend in retail spending - six straight months of decline.

Another stimulus is needed to turn the economy around. What is this PLP government doing to improve the near term and longer term economic prospects for Bermudians?

In today's challenging environment, Bermuda needs effective, strong and realistic leadership. Leadership that has its feet firmly on the ground while trying to find new ways to promote prosperity in our island for all.

The Burt administration does not offer that. It would rather offer petty critiques of the OBA's economic stimulus programmes, like the America's Cup and the new airport terminal. But the latest GDP figures for 2017 prove for all to see that these OBA programmes have worked for Bermuda and for Bermudians.

While there has been an increase in Government revenue as a result of higher taxes, these tax increases will not reduce the deficit if the PLP fails to reduce Government spending.

The reason the OBA was able to increase taxes without a revolt from the business sector, which shouldered most of the tax burden, was because there was a demonstrated

commitment by the OBA to use those tax increases to eliminate the Island's deficit.

Rather than doing more with less, the Burt administration is doing less with more. In fact, the Premier has already broken the promise of balancing the budget in fiscal 2018/2019.

The PLP's grab for political control and their ongoing interference with the Gaming Commission has significantly reduced the likelihood of getting any local banks to provide vital banking services for the proceeds of casino gaming. Without this, there can be no casino gaming. No related development. No jobs that could and should have followed from this OBA stimulus measure.

It is curious indeed that responsibility for gaming has been removed from the new Minister of Tourism and Transport and given to the Minister of Finance. Given the existing responsibilities of the Tourism Authority, the "Tourism" part of his portfolio is nothing but a name.

We simply don't believe that having gaming under Tourism was the obstacle to banks servicing gaming. With that logic, the Government's misjudged foray into

cryptocurrency should also come under the remit of the Ministry of Finance.

And now what do we see, Mr Speaker? We see this PLP Government intent on taking away the Tourism Authority's independence – the very independence that has helped the BTA bring new life to a dying industry. Will the PLP's proposed interference mean that the BTA will soon resemble the current Gaming Commission, where we still do not have an executive director almost 18 months after his departure?

Mr. Speaker, the Burt administration is behaving as if it were still in opposition. It is doing nothing to ensure real job creation, whether through capital projects or by leveraging the successful initiatives started by the OBA.

The OBA recognized that Bermuda needed a series of economic stimuli to reverse the painful six year recession and achieve real economic growth. The OBA developed. The OBA delivered. The OBA turned the economy around. But still more is clearly needed.

Where is the Burt administration's economic stimulus?

The Throne Speech certainly did not tell us.

Mr. Speaker, this administration recently announced it is refinancing some of its more expensive debt with lower cost debt. Such financial management tools can save government millions. I am duty bound to remind the people of Bermuda that this was pioneered by the OBA - something the Premier will never acknowledge.

Even more interesting is the Premier's boast that Government revenues are up. But the reality is they are only up because the PLP government raised taxes on Bermudians. Government revenue is not up because of any direct inward investment attracted by the PLP government.

Is Government's growth plan simply to hire more civil servants?

Mr. Speaker, the OBA is proud of its record whilst in Government. Despite the bleating from the PLP in Opposition and their related "pop up" movements, who falsely claimed the OBA did not care about Bermudians, it is clear for all to see that it was the OBA that delivered for all Bermudians:

It was the OBA that increased employment opportunities for Bermudians.

It was the OBA that negotiated a 10% discount off groceries.

It was the OBA that attracted direct inward investment for the benefit of all.

It was the OBA that signed agreements with AirBnB and developed the Tourism Investment Act, which the Burt administration took credit for.

It was the OBA that started the conversations and began work on road-side sobriety testing.

It was the OBA that allowed for cannabis oil to be used for medicinal purposes.

It was the OBA that reinvigorated the Old Town of St. George with a Heritage Tax, a dedicated cruise ship, returned wharfage to the corporation and, of course, attracted a world class hotel developer.

It was the OBA that reduced healthcare costs for all Bermudians.

It was the OBA that brought not just one world class event to Bermuda, but two – the America's Cup and the World Triathlon Series.

It was the OBA that put Bermuda on track to actually balance the budget by 2019.

It was the OBA that gave tourists options with mini car rentals.

It was the OBA that started negotiations with NASA to allow for the tracking station to be re-opened.

It was the OBA that protected our satellite slot rights.

It was the OBA that tackled rising energy costs.

And yes, it was the OBA that helped those less fortunate in Bermuda through a progressive payroll tax.

All of this, plus so much more. And we did it despite the partisan shouting. Despite the misleading and heckling

from the other side. Despite the propaganda spread so thick by those “pop up” campaigns.

Mr. Speaker, Bermudians are starting to see the hypocrisy of the Burt administration -- what the PLP opposed while in Opposition and what the PLP now support as Government.

The most recent example of this hypocrisy is the St Regis development, which was consistently undermined by the then PLP Opposition in respect of beach access. Now, as the project ramps up, the very same PLP members who made the misleading statements to the public in Opposition are now in Government. So they hold a press conference to dispel the very rumours they created. Now, as the Government, they assure the people of Bermuda the beach at Gate's Bay will remain open to the public.

It is hypocritical indeed that the PLP, now in Government, talks about regularizing the position of many long-term residents and, we understand, giving status to various categories of people. And yet the same people now in the PLP Government were the same ones who protested vociferously. The same ones who stoked anti-foreigner sentiment on a regular and uninhibited basis when in Opposition.

And there are numerous other examples of the PLP flip-flopping since taking the reins of power.

Take the former Minister of Home Affairs, who supported same sex marriage, but then pushed through legislation to ban it.

Take the former Minister of Transport. He licensed more mini-cars even though he stood in front of taxi drivers and spoke against mini-cars.

Take the former Minister of Tourism, now in charge of propaganda, who lambasted the BTA on a regular basis. Who attacked the BTA incorrectly for their audit procedures? Now he goes out of his way to associate himself with BTA successes.

Take the calls by the PLP, when in Opposition, for a Commission of Inquiry on land grabs at Tucker's Point. Now that the PLP is the Government, the land grab call has fallen away.

Instead, on the heels of PLP calls for independence, they hold a colonial-style high tea at Tucker's Point to celebrate their women's caucus. To celebrate those whose silence

was deafening over the Minister of National Security's awful display of harassment of female store clerks in London whilst representing Bermuda abroad.

How's that for hypocrisy.

Take the PLP's open criticism of the new Bermudian Chief Justice, based solely on his ethnicity.

It all adds up to a national disgrace. It exposes the true feelings of the Burt administration about anyone who is not part of their elitist clique.

Mr. Speaker, my colleagues and I are disappointed at the lack of detail in the Throne Speech, which probably should be called "Throne Speech Lite". The overall impression is that the PLP has already run out of ideas.

In fact, my OBA colleagues should in many instances be flattered. After all, imitation, it is said, is the greatest form of flattery.

I say this because the PLP has either continued to implement OBA policies or has simply dusted off work that was in progress or proposed under the OBA.

This has included a sex offender's register, an Events Authority to leverage the America's Cup and World Triathlon series successes, the workforce development plan, further municipality reform, amendments to allow for a marina in St. George's, vertical farming, codified labour legislation, continued immigration reform and even discussion on a living wage. The PLP "new" arbitration centre has been spoken about and discussed for many years.

Mr Speaker, the PLP has been in power for 15 of the last 20 years. Yes, 15 of the last 20 years. Yet despite GDP growth from 2001 to 2010, the resultant debt from PLP overspending between 2003 and 2010 set the dial to disaster.

The former PLP Government, with no savings and already up to its eyes in debt, was forced to massively increase taxes. Payroll taxes surged by 14%. A fateful decision that expedited the exodus of back office support functions in IB, shedding significant Bermudian jobs in human resource and administration departments across the Island. Further jobs were also sent to offices overseas.

As companies contracted, both in international business and the local economy, entry level jobs were the first to

disappear. Young Bermudians either stayed abroad after school or left our shores looking for greener pastures.

Mr. Speaker, our residential population dropped a shocking 10% almost overnight due to the situation created by years of PLP mismanagement and their failed economic and immigration policies.

As Bermudians all know, international business and, to a lesser extent, tourism are the two main industries by which Bermuda captures the foreign capital necessary to drive consumption and investment in our economy. Although international business captures an incredible amount of foreign capital, not enough of this permeates into the local economy.

The highest earners in any economy spend the smallest percentage of their income on consumption. Therefore they can dedicate the highest percentage of their income to investment and savings. Private pension schemes now trail personal savings as the largest category of outbound cash flows from our shores.

Mr. Speaker, the unfortunate by-product of these two factors is that despite generating a substantial amount of savings from employment within our economy, Bermuda

must still import the capital necessary to finance business, especially local business, from overseas.

Mr. Speaker, interest on mortgages and other bank loans is now also being shipped abroad because our local banks have significant foreign shareholdings and bank profits earned locally are being sucked out of our economy. Our national debt is no exception to this cash exodus. We are now sending \$500,000 per day overseas in debt service costs.

Mr Speaker, Bermudian owned and operated businesses are feeling the cash crunch as Bermuda's banks are shunning local business loans in favour of investment products. Our local businesses are also still suffering from effects of the great 2010 population exodus, which destroyed domestic consumption.

The recent introduction by the Burt administration of a de facto income tax on small and medium Bermudian owner/operated businesses has further negatively impacted their ability to survive. The effect of consumption taxes on disposable income, and the overall falling business and consumer confidence completes the downward spiral.

Mr Speaker, concessions were made to lower earners when the OBA was in Government (and rightly so) through progressive payroll tax and raising the threshold on taxable income on the highest earners. Both of these were progressive policies to ensure a fairer collection of payroll tax. The PLP gave concessions on employee and employer contributions to payroll tax for small and medium start-ups, which certainly assists with critical year one expenses. However, without stimulating total demand in the local economy, the chances of success in years two and year three will continue to be limited.

Mr Speaker, the Government's previous announcement of the doubling of guarantee capital at the Bermuda Economic Development Corporation may sound good politically, but in reality it does nothing. The existing loan guarantee capital at BEDC was only at about 30% capacity. As I've already mentioned, the real struggle for Bermudian entrepreneurs is getting access to bank loans. What Bermuda needs is more financing options, not meaningless political gestures.

The OBA therefore proposes that private pension schemes invest a portion of their portfolios locally.

We also propose that all companies that operate in Bermuda, including those in the exempted space, participate in the mandatory private pension scheme.

This will help mitigate the immediate outflow of capital from our shores and drive the development of our local capital market. The Bermuda Stock Exchange has seen a marked decrease in the participation of local non-finance companies over the years. **Mr. Speaker**, the 60/40 rule should also be amended again, so that all Bermuda residents may qualify under the 60% ownership portion, subject to a carefully designed set of criteria. This will allow more of the wealth already on the Island to be invested into our economy, which again increases the availability of domestic capital. This provides more competition for the banks, which will drive better lending rates for Bermudians.

Mr. Speaker, we must also pass bankruptcy legislation. The ability to fail, and rise again, is essential to innovation. It is essential to business creation. Our present framework makes it far too difficult to start again. Bankruptcy legislation is essential to the development of a successful entrepreneurship ecosystem. Bermuda can be a hub of innovation. We must create not only the educational programmes, but also the legal framework, so that when

business start-ups encounter risk this need not be life-ending.

Accordingly, the BMA should be empowered through legislation and budget to monitor the effects of legislation on our economy. The BMA should have a specialized economic unit, staffed with trained economists. The BMA should also have the ability to monitor – and regulate if necessary – the fees that banks charge, both for services as well as lending to deposit spread.

The Government should also review each and every public service and department to see which ones can be funded by Government, but delivered by the private sector, in order to inject much needed innovation into those services.

There could even be models whereby the same civil servants that presently deliver the services could be empowered through ownership in the newly spun-off ventures. Government could provide fixed term multi-year contracts to ensure a stable income stream. This would allow these entrepreneurs to expand and reinvest, thereby delivering more successful outcomes.

The efficiencies created will lead to more economic activity and increased growth. The same employees will benefit from the resulting profits previously lost to bureaucratic inefficiencies. Business management support can be provided from Government during the transition period. At the end of the period, the economy will have a more competitive and efficient service delivery system, a new generation of small and medium business owners, and -- in the medium to long term -- a more productive tax dollar spend.

Mr Speaker, we propose that Government adopt a ladder scheme whereby small businesses progressively gain access to larger Government contracts. The first rung of the ladder would be for smaller contracts, thereby affording Small Businesses responding to their first Request For Proposal (RFP) greater chances of success. After the first success, both Government and the Small Businesses will find comfort signing contracts for the successively larger and more complex jobs higher up the ladder.

Mr Speaker, we are supportive of using blockchain and other technologies to make doing business more efficient. This, however, is a dangerous game. The widespread

introduction of technology into Government could result in hundreds of Bermudian jobs being lost and without a growing local economy. Where will those people made redundant find jobs?

We know, also, that there are many parts of government that run on independent computer systems that will not easily communicate with other government systems. Unifying all of this is going to be very expensive (millions in computer consultants fees alone) and we will watch closely how this becomes reality.

It is very interesting indeed that the implementation of this has been placed by the Premier under his own ever so watchful eye. How this type of project is going to affect the balancing of the budget remains to be seen.

We recognize that there are already companies using legitimate blockchain applications for their businesses, but the opportunities for Bermudians and Bermudian jobs have been massively overhyped.

Mr Speaker, we are disappointed that the Government is putting all Bermudians' hopes and dreams in the FinTech basket. The OBA questions why the PLP is tying Bermuda's flag to the crypto mast. Cryptocurrency is seen by many

experts as a pyramid scheme or a tool for illicit transaction.

Cryptocurrencies are being closely watched by international financial regulators because of the inherent risks of tax evasion, fraud and other criminal activity.

Latest GDP figures show that International Business still contributes five times that of tourism to our GDP. The Island's hard earned, unblemished international reputation is a fundamental cornerstone for success, and necessary for all those who either work in that sector or depend on it for business.

Taken in this context, Bermudians should question whether the PLP Government's headlong pursuit of virtual currencies exposes Bermuda's biggest industry, insurance and reinsurance, to unnecessary reputational risk. We only need to scratch the surface of Arbitrade and its supposed billions of bullion to understand the reputational risks involved.

Bermuda has come too far in the last thirty years in developing the international business sector to have it

undermined by pinning our hopes on something so speculative.

More to the point, when will the jobs the PLP has promised for Bermudians come to fruition? They will be as elusive as the audited accounts for Arbitrade – so enthusiastically supported by the Premier and his National Security Minister.

It took almost 40 years for Bermuda's tourism industry to fully flower.

It took thirty years from the creation of Bermuda's first exempt insurance company until that sector blossomed into a major pillar of our economy.

Are Bermudians prepared to wait another thirty to forty years for this new virtual sector to blossom? Can we afford to wait that long? Or wait even just another four years for the Burt administration to turn the pursuit of FinTech as a whole into something tangible for unemployed Bermudians?

Mr Speaker, Bermudians should also consider whether the reputational risk of the shadier sides of FinTech could add to the ongoing hostile threats to the future of our

business model. Such threats include the anti Overseas Territory Legislation recently passed by the British Parliament. The recent Anti-Money Laundering assessment by the Caribbean Financial Action Task Force. There are anti-Bermuda threats coming from the EU Code of Conduct Group. There is the uncertainty of Bermuda's relationship with the EU, post Brexit. There are the growing tariff measures between USA and China, and its inflationary effects on Bermuda consumers.

Mr Speaker, let me remind you that it was the OBA that first allowed the importation of cannabis derived products for medicinal use to ease people's suffering. It was the OBA that decriminalised possession of small amounts in order keep people off the stop list.

That said, **Mr Speaker**, we are generally supportive of the principle behind this Government's recent announcements. However, we have concerns that this is merely a politically motivated announcement. There are very significant obstacles, not least of which are the potential challenges of getting banks to accept the proceeds – just as with crypto-business and gaming. We look forward to an honest and transparent conversation on how these issues will proceed.

Mr Speaker, as regards the issue of making social insurance progressive, the Burt administration has followed the lead of the OBA in respect of progressive payroll tax. It is right and just that those that can afford to pay more, do so. Yet we fear the complexity and cost of this new tax may be a step too far for small and medium businesses, especially in the wake of all the new PLP taxes this year. Small businesses are already suffering. Why does the PLP insist on penalising them further?

Mr Speaker, the OBA will do whatever is within the realm of possibility to lower health care costs. And we did that when we were in power. However, the Burt administration is not the best Government to address this, as has been demonstrated by the cash for friends and family payment of \$1.2 million. **Mr Speaker,** does the Premier not understand that the people of Bermuda know exactly what is going on?

Mr Speaker, we note with interest that the Government has claimed that they will act to change the way Bermuda pays for healthcare and make it more affordable by expanding access to coverage at better rates.

The last time we heard this was 2012, when they released their first National Health Plan. Many will remember that

this plan was widely discredited; not even the PLP advanced the plan in their 2012 election platform. It was ditched because actuarial reviews demonstrated that the plan would have significantly raised premiums for Bermudians and was financially unsustainable.

Although the Government has provided few details to support their promises this time around, some of the same discredited concepts are resurfacing. It is simplistic to suggest that simply pooling risk will lower healthcare costs for everyone. In fact, it may increase premiums for both employers and employees as Government attempts to shift the growing burden of providing healthcare to our seniors and unemployed onto workers and businesses.

It is unlikely that there will be any meaningful reductions in healthcare costs until Government is prepared to tackle the main drivers of increasing costs, which are overutilization and unrestrained provider fees. Let me repeat that the real reason health costs are so high, is due to overuse of certain services. It is noticeable that Premier Burt has outlined nothing in this Throne Speech to tackle the root cause of our health care costs.

The reality is that within 5 years, healthcare costs will reach \$1 billion. **Mr Speaker**, we believe that a public

register to track utilisation across the whole system will lead to a more transparent and meaningful conversation about which services are being overutilised. This will remove the ability for those with vested interests to divert progress towards a sustainable and affordable health care solution for all Bermudians.

Mr Speaker, as for energy, everyone wants lower energy costs and it is worth noting that energy costs have gone up under the Burt administration. Rather than simply using catch phrases, the Government must deal with BELCO. The problems between BELCO management and its employees are not a matter just for that company, but for all of Bermuda. It is not clear what role the Government is playing in these discussions, but it is vital that Government represents everyone's interests.

There must be a comprehensive solution to the BELCO stalemate; one that management/shareholders, staff, as well as the consuming public can live with.

No type of job-creating capital investment in Bermuda can be made with confidence if the Island has uncertainty over the reliability and affordability of electric power. Bermuda already has some of the most expensive electrical energy in the world. We support the continued efforts to drive

renewable energy solutions. Bermudians deserves an energy generation model that is sustainable, affordable and independent.

We are very confused, however, at Premier Burt's double speak about energy costs. He says that "*high energy costs are among the first factors cited by investors and developers as a barrier to doing business in Bermuda*" and also rightly recognizes that those same high costs are hurting working class Bermudians. How does charging developers more for their energy through a new progressive tax encourage them to invest and create jobs in Bermuda?

Mr Speaker, we are delighted that the PLP Government is continuing with the work outlined in the Bermuda 2022 Education Plan born in April 2016 under the One Bermuda Alliance Government.

With the agreed objective to develop a strategic planning approach that was transparent, inclusive, engaging and most importantly, community driven. The plan's overall intent was to drive a progressive, sound, credible public education experience for our children.

Mr Speaker, entering the 2018 Parliamentary year, out of a sense of transparency, one would have thought that the Government would have given the country a status report on the Plan's strategic priorities, and what has been achieved to date, especially as relates to student excellence and development.

Mr Speaker, the Throne Speech indicated that black Bermudians are falling behind in gaining access to higher education. To address this, the Government indicated that the current financial aid grant will be increased to ensure that even more young and mature students who have the ability, but not the means, are not hindered from attending Bermuda College. This is good and is worth the effort.

However, the real question is what has the Government done to ensure that our young people are being prepared to enter not only the Bermuda College, but other international Universities and Colleges in the UK, Canada and the US?

Mr Speaker, what would an OBA Government do?

We would budget per term for teachers to buy supplies and equipment for classrooms. Teachers continue to

underwrite the cost of supplies and equipment under a PLP government, who broke a promise to bring this practice to an end.

We would establish an independent standards board – the education equivalent of the Auditor General -- to provide independent and objective reports on schools and overall student performance.

We would review the need to classify schools as aided and maintained schools, establish a professional development centre for teachers to focus on teaching skills, effective classroom discipline and on-going training and set high standards for hiring teachers and insist on performance in the classrooms.

Mr Speaker, an OBA Government would also reduce the number of school holidays so that they are aligned with other G20 countries so that students spend more time in school, extend the school day to allow for more time for the arts as well as sports and academic support, incorporate coding training into schools and explore same sex schools for male students that would combine a solid academic foundation with a strong technical education curriculum to provide good career options upon graduation.

Mr Speaker, I will not stop there as education is critical to the future of this Island.

We would create standards for a national physical fitness programme that addresses health, exercise and diet beginning in primary schools. We would create a specialist team for each school that provides academic, remedial and social assistance to students and parents and allocate resources for support and counselling. We would invest in continuing education and re-training and partner with the business community, unions and the Bermuda College to define the skills required for professional and trade careers.

As this Government has continued many of our policies I would be happy – and supportive – if they adopt these education policies as well.

Mr Speaker, I always think that if it is a good idea then use it. Removing politics from Tourism brought results. We believe that an Independent Education Authority would do similar great things for our children.

Our young people are losing hope and are being attracted to gangs. **Mr Speaker,** there are glaring omissions in the

'Throne Speech Lite' in respect of dealing with gang violence and the increasing gun play in our streets. This, despite the fact that there is a very well compensated pastor allegedly in total control. Frankly the reintroduction of Parish Constables just does not cut it and neither does a chicken farm. With that in mind it is disturbing indeed to see the overall lack of focus in identifying vulnerable youth.

We need to fund more artistic outlets and give more tangible support for the arts and creative community and a published policy needs to be adopted to govern the special education programmes in schools. Many at risk children are placed in "special ed" simply because they are disruptive, even though they do not have a learning disability.

This denies services to children who require special education support and causes disruptive children to miss out on mastering the content they should be learning. Many of these children are at risk of gang initiation and other nefarious threats.

When their files are checked, most of these students are undiagnosed, which means there is no justification for them to be in special education.

We suggest that a high school diploma for Special Education be considered that is accepted by Bermuda College. Currently such students are given a Bermuda Alternative School Diploma which is not accepted by the Bermuda College or in the US, causing them to have to seek out a GED.

To assist other students to find more opportunities we encourage more accreditation for Bermuda College. Many young Bermudians cannot afford overseas education and should be given better opportunities for certifications and translatable degrees.

In addition we need to update our mental health legislation which is woefully inadequate, and give greater legislative protection to women and seniors who often are the backbone of a Bermuda family unit. We ignore their needs at our peril.

We must take a holistic approach to deal with the rising tide of violence from the ground up. Violence should never be tolerated but all too often it is an accepted part of our lives. Young people need guidance every day which is why we will support initiatives to give estranged parents access to their children.

We also note that this year's Throne Speech shows no intention to support youth programmes this year. After-school sports organizations with appropriate plans for keeping young people safe and in positive environments should be supported by Government. We should be focusing our efforts on children ages 5 to 18. Keeping our Island's children engaged after school in positive programmes gives them less time to be preyed upon by gang members.

Mr Speaker, let me say congratulations to Mr. Ottiwell Simmons. The Ottiwell Simmons Arbitration Centre could be used to bring together all the different boards and tribunals under one central roof, with administrative support. Bermuda has more than 30 tribunals and boards and people are often confused about which one to go to. The system could be streamlined by bringing them under one roof, which would be of great benefit to Mr and Mrs Bermuda.

Mr. Speaker, there is absolutely nothing in Throne Speech Lite about the state of the economy, gaming, or dealing with the transport system issues. Other than imposing higher taxes there is nothing to encourage growth or give relief to the retail sector.

The apparent decision to again revamp the immigration work permit system reeks of desperation to cover up the former Minister's failings in a department that has lost all credibility in the eyes of the business community in respect of wait times for permits, general lack of efficiency and a significant rise in job maker rejections. The very statements made by the Government hark back to 2010 when the Department of Immigration was the very definition of overblown bureaucracy and red tape.

We are well aware of instances where top executives left Bermuda as a result of being treated as unqualified asylum seekers rather than as job providers for Bermudians. We absolutely agree that firms that follow the rules should be rewarded, but the fact remains the 2015 work permit policy introduced by the OBA government was accepted by all stakeholders after extensive consultation.

Is it true that the Premier is telling business leaders that the island needs a population of 80,000 people to be sustainable? Given our declining birthrate, where are these people going to come from?

Mr Speaker, the OBA was alarmed by the Burt administration's plan to get involved in the building of affordable housing in the City of Hamilton. It is clear the

Burt administration has learned absolutely nothing from a previous PLP Government's disastrous scheme at Grand Atlantic, a scheme overseen by the current Minister of Public Works responsible for the Bermuda Housing Corporation.

By way of reminder the Grand Atlantic was a colossal waste of money, overpriced and never utilized, except when the OBA arranged to rent the vacant units to America's Cup teams and cover debt payments.

With the number of empty properties in Bermuda we believe incentives for landlords to lease their properties and incentivising builders with tax friendly lease-to-buy schemes could assist Bermudians to get onto the first rung of the housing market.

Mr. Speaker, in closing I make a few sobering predictions: the economy will continue to falter, and as it does the Burt administration will increase its emotive rhetoric to energise the PLP base support and it will introduce formal income tax to boost revenue due to the squandering of public money that is a hallmark of the Premier and now ex-Minister of Finance's inability to properly manage finances. In fact, it is likely that the Premier relinquished

his Finance portfolio to get distance from the inevitable demonstration of his failures in the next eighteen months.

I also predict the Premier, or one of his entourage, will continue to promote Independence in order to divert attention away from rising unemployment, falling house prices and an exodus of business due to the tax and spend policies hidden under the guise of equality.

Mr Speaker, in conclusion we are disappointed with the Throne Speech Lite and disappointed for the voters that had such high hopes and confidence in the Burt administration. It is Lite on ideas, heavy on rhetoric and full of undefined empty promises. Bermudians were promised help but have been taxed on their sugar consumption, their payroll, their vacation rentals, their commercial land and their dividends and as a result too many people are suffering.

Let me leave you with one final thought, **Mr Speaker**. Culturally, Bermuda is not as advanced as other nations on the issues of women's rights and equality. We would urge this Government to start the Big Conversation on these issues as a matter of urgency.

Thank you Mr. Speaker.



