

## **One Bermuda Alliance Throne Speech Reply 2012**

*Craig Cannonier, Leader, One Bermuda Alliance*

The people of Bermuda can have hope for a brighter future – a future in which our economy is growing jobs again, safety is restored to our neighbourhoods, and our children are getting the education they need to succeed in this ever-challenging world.

But that future depends on change; change in the way we work together as a people, change in the way we go about our business as a country and change to a government more fully committed to meeting the needs of the people.

The party I lead represents the hope and change Bermuda needs for a brighter future, and that is the context in which the One Bermuda Alliance delivers this Reply to the 2012 Speech from the Throne.

**Mr. Speaker,**

Bermuda today is in the grip of economic crisis.

The statistics are no fairy tale.

More than 3,300 of us are unemployed.

Nearly 7,000 more are categorized as under-employed, meaning they are taking home less pay or cannot find enough work.

A staggering 36% of our young people are out of work.

Let me repeat that Mr. Speaker: One in three young Bermudians is out of work.

People are losing their homes to foreclosure, with banks reporting a sharp rise in non-performing loans – some \$74 million between July and September this year.

Business closures continue each week, with the Registrar of Companies currently listing 150 companies for dissolution.

The number of households characterized as poor is growing, now to more than 26%, while the number of households characterized as middle class is declining.

And Government's soaring debt – now costing more than \$240,000 a day in interest payments to foreign creditors – has hobbled its ability to stimulate economic activity and help people in need.

**Mr. Speaker,**

These statistics provide a window on the state of Bermuda today, but they do not come close to conveying the suffering and hardship felt every day in households across the Island.

- The 25-year-old single mother with a college degree, moving into her mother's home on South Shore, Warwick to help pay the rent because her mother was laid off; only to be laid off herself; struggling to pay bills.
- The veteran construction worker frustrated and angry after being laid off, because he cannot support his wife and two sons, chasing work that's not there.
- The young college-educated couple in Crawl with a two-year-old boy and a mortgage; struggling to get by on her bank salary after he was laid off from his job with an exempt company.

The hardships are real and they wear down spirit and hope, spreading worry and stress, building frustrations into anger, testing identity and self-confidence.

This is the reality for thousands of Bermudians every day.

**Mr. Speaker,**

I draw attention to the hardships and hurt because they are the key to determining the work of government.

A government that understands what is happening to its people can fashion policies and actions to meet their needs for a positive difference in their lives.

But last week's Speech from the Throne did not do that.

Despite observing that the only issue of matter to most Bermudians is "having a decent job," the Speech outlined no economic recovery plan, no jobs plan, and no hope for families struggling to make ends meet.

This is Bermuda's immediate national priority, yet the Throne Speech was silent on what to do.

The failure to address the serious economic challenges facing Bermudians is the large hole at the centre of the Government's Throne Speech.

This is the country's challenge. This is the fight we must fight, yet this Government is standing on the sidelines with its hands in its pockets.

So what did the Throne Speech tell Bermudians about the economy? What hope did it offer them? What change did it promise?

There was talk about a Tourism Development Plan, which may or may not include concessions for investors. There was a review of overseas meetings with Persian Gulf countries and the announcement of a task force to encourage their investment in Bermuda. And, under the banner of my Honourable colleague Bob Richards' slogan "More red carpet, less red tape", there was the promise of further action on his recommendations for immigration reform.

There were references to training Bermudians for the workplace, but there was nothing out-of-work, under-employed Bermudians could bank on to help them through this difficult period.

**Mr. Speaker,** why is this so? Why in the midst of the worst unemployment in living memory is the government doing so little for people?

We see two reasons for the lack of action.

The first is the Government's massive debt, rising some 700% since 2005 to \$1.4 billion, and maybe beyond.

Debt interest payments this year total \$85 million – all of it going to overseas creditors rather than to Bermudians here at home.

A few weeks ago, a local economist commenting on the Island's economic decline said the Government's ability to stimulate recovery – to help people through job-creating projects – was "almost out of firepower."

In other words, the Government had few resources left to invest in people.

This is the price Bermudians are paying today for Government's wasteful and excessive spending in recent years – bringing to mind the lesson not learned from the parable of saving during the fat years to prepare for the lean years.

**Mr. Speaker,**

The second reason for the Government's lack of action on the economy is its denial of responsibility and reality.

For years now, the Government has refused to acknowledge the damage its policies and actions have caused, including unpredictable tax increases that broke a bond of trust with international business, tourism marketing failures, immigration red tape that made operating a Bermuda-based business problematic, and a poorly conceived term limit policy that damaged the Island's business reputation while doing little to protect Bermudian jobs.

Instead of leveling with the people that there is a tremendous amount of work to be done here at home, the Government told Bermudians that our economic difficulties are all due to the "global economic downturn."

The so-called global recession became the Government's cover for the failure of its policies and it begs the question: If you can't acknowledge a problem exists, how can you be expected to fix it?

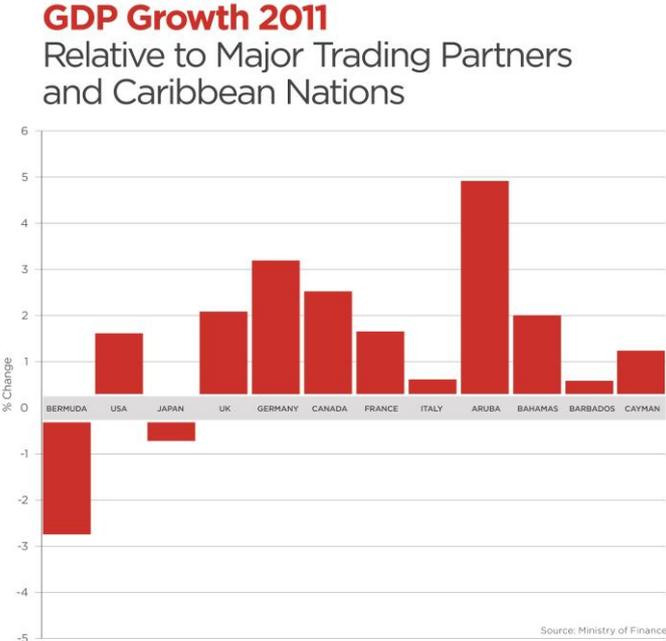
**Mr. Speaker,**

The Government's 'global recession' mantra is perhaps its most notable use of spin to deny responsibility and reality. Spin is central to its communications with the public, and examples can be found throughout the pages of the Throne Speech.

On page 1, for example, we read that Bermuda, in the face of global recession, "fought a good economic fight, as good as any country in the Western Hemisphere."

But that claim does not stand up to the facts. As the accompanying graph illustrates, our major trading partners and neighbours to the south have been registering positive growth while Bermuda remains mired in recession.

Two weeks ago, the Department of Statistics reported that 2011 was our third consecutive year of recession. Economic conditions since then leave little room to conclude anything other than that 2012 will be Bermuda’s fourth straight year of recession.



**Mr. Speaker,**

It’s time for change.

The One Bermuda Alliance will exercise leadership that puts the people of this country first.

We believe all Bermudians should achieve social and economic equity – leaving no one behind. Our focus will be to create good-paying jobs, safe neighbourhoods and great schools.

On the economy, our mission will be to restore jobs, opportunity and confidence.

The first priority of government, as we see it, is to create and maintain an environment that grows opportunity, enabling its citizens to make a good living.

That is not happening today for thousands of us.

The situation is unacceptable and we will end it.

We will be a government that grows jobs. We will set job-creating targets and commit to deadlines you can hold us to.

Our Economic Recovery and Jobs Plan contains specific measures to grow jobs, stimulate investment, create opportunity and restore the confidence that is so essential for economic revival.

Part of our plan includes

- Stimulating Bermudian job growth by giving employers a two-year payroll tax exemption for all new Bermudian hires.
- Supporting small businesses by directing to them 20% of government goods and services spending – about \$80 million a year.
- Protecting Bermudian jobs by cracking down on employers who abuse Immigration rules.
- Creating construction and tourism jobs through the redevelopment of the Hamilton and St. George's waterfronts.
- Reviving Bermuda tourism by creating a Tourism Authority that puts professionals, not politicians, in charge of the industry.
- Speeding up uncomplicated and non-controversial planning projects to create construction jobs and jumpstart infrastructure spending by the private sector.
- Growing jobs and business opportunities through expansion of the North Hamilton EEZ and developing the Marsh Folly area.

**Mr. Speaker,**

The next five years will require prudent and disciplined government spending and a credible plan to bring the level of indebtedness back to a sustainable and manageable level.

To better control government spending, an OBA Government would:

- Establish an independent Contractor General to oversee government construction projects to ensure fairness, enforce rules and eliminate wasteful cost overruns.
- Create a Spending and Government Efficiency (SAGE) Commission to eliminate wasteful government spending.
- Freeze the size of the civil service, allowing it to shrink by attrition, with no public sector employees made redundant. I repeat: no public sector employees made redundant.

**Mr. Speaker,**

We can get our economy working again for the people, growing jobs and opportunity, leaving no one behind. But it will take change to do so, change to a government that remains focused on the people's business; that speaks without spin and confronts the challenges truthfully for the sake of Bermuda and its people.

**Mr. Speaker,**

Despite the lull in shootings in 2011, events this year tell us Bermuda remains under threat. In the past two months alone, nearly a dozen shooting incidents have been reported, leaving two more young men dead.

Police are doing their part, but all of us know the gang problem is not just a Police problem. It's a Bermuda problem, with a significant social component that is Government's responsibility.

The Police are simply dealing with what society sends their way.

We have spoken at length on the need to coordinate and direct the work of social agencies, community groups and Police in a Bermuda-wide effort to diminish the conditions that feed and perpetuate gang life.

We are therefore encouraged by the statement in the Throne Speech that the social policy side is the key to prevention, and that Government has taken steps to coordinate efforts in this regard. However, we wonder why, in the face of such a major challenge and with so much expertise at hand, the Government is only realizing this now.

The OBA believes another key to achieving public safety is through an engaged and empowered community.

Our crime reduction strategy recognizes the connection between robust law enforcement and strong alliances with our citizens, building on sources of Bermuda's strength – our community leaders, youth organizations and churches.

As part of our plan, we will:

- Disrupt and dismantle gang violence by fully funding and implementing focused crime reduction strategies such as Operation Ceasefire.
- Inform our citizens about the latest incidents of crime in their neighbourhoods by posting Police community crime maps on the internet.
- Support our neighbourhoods harmed by crime by implementing a 'Cash Back for Communities' programme using monies confiscated from criminals; and
- Provide our young Bermudians with more opportunities for recreational activities through stronger funding support for youth volunteer organizations.

**Mr. Speaker,**

Bermuda does not need to live in fear. We must restore safety to our neighbourhoods, but it will take a full community-government commitment to make it happen.

**Mr. Speaker,**

The OBA is guided by the belief that education is the key to opportunity for our children. We also believe that more must be done to support the teachers who make their education possible. We must make sure the conditions they work under, the tools they use and the numbers they need are in place to make them as effective as they can be. The whole system depends on them.

We note that the Throne Speech says “the public school system has just completed its second year of reforms....” This clearly confirms the slow progress of education reform since the Hopkins Report in May 2007, and it raises serious questions about Government’s handling of education reform in the three years between May 2007 and 2010.

Professor Hopkins expected “significant progress in the first seven” of his ten recommendations in the first school year following his report – a goal for urgent action that was subsequently promised by the Education Minister at the time – but never fulfilled by successive Government ministers.

**Mr. Speaker,**

Some of the initiatives that an OBA Government will pursue to ensure better opportunities for the rising generation of young Bermudians include:

- Implementing a fully integrated technical curriculum, starting in the middle schools.
- Expanding preschool places to make early education more accessible to all especially single parents.
- Extending the school day to allow more time for the arts, music, sports and additional academic assistance for the students who need it.
- Empowering our teachers by giving them the support and resources they need.
- Expand the options for Bermudian students by transitioning Bermuda College into a four-year institution.
- Provide additional support to GED programmes, and
- Follow through on the Hopkins Report recommendations to ensure real education reform.

**Mr. Speaker,**

My colleagues and I are very aware that the high cost of living imposes a tremendous financial burden on Bermudian families. To make Bermuda more affordable, we will:

- Reduce the cost of electricity through proper regulation of the energy sector.
- Lower energy costs through households, hotels and businesses through the promotion of combined heat and power generation (cogeneration).
- Reduce the cost of health care through a strong focus on the Bermuda Hospitals Board, which accounts for 40% of all health care spending in Bermuda.
- Waive stamp duties for first-time homeowners on properties valued under \$1 million.

- Open a hospital medical clinic to ensure access to medical care for the vulnerable, making sure all our people get the care they need.
- Work with social agencies such as the Salvation Army to provide good quality transitional housing and support programmes for the most vulnerable in our society, and
- Ensure stronger family benefits by working with employers to extend family and maternity leave for caregivers, parents and guardians. A strong start for children means a strong future for Bermuda.

**Mr. Speaker,**

The Throne Speech is not the answer for Bermuda.

It offered no plan nor hope to the many thousands of people struggling each and every day to stay afloat.

Instead it served up lists of Government initiatives already underway, promises lifted from its past Throne Speeches and 11th hour concessions to long-standing public demands for action.

**Mr. Speaker,**

There is good reason to question the sincerity of the exercise. An election must be called within the next 60 days, meaning the ideas contained in the Speech will become null and void, at least until a new Throne Speech by the newly elected government.

So for this Speech, it's okay to promise opening the St. George's golf course, even though the property is part of a lease agreement with the hotel. And it's okay to finally promise the long-sought expansion of human rights, against years of this Government's indifference and resistance to it.

**Mr. Speaker,**

There is weariness at the core of the Throne Speech; weariness of a government going through the motions – out of ideas, out of energy, unfocused. Somewhere along the way, it lost touch with needs and concerns of the people. The Throne Speech bears witness to that by its failure to address their number one need today, which is an economy generating jobs and security for all.

**Mr. Speaker,**

The people deserve better.

The One Bermuda Alliance is prepared to get Bermuda's economy working again for the people. We have outlined plans to grow and protect jobs, support small business development, improve conditions for international business and ease the cost of living.

We have outlined plans to provide our children with the education they need to succeed, return safety to our neighbourhoods, and provide Bermuda with a government that is open, transparent and accountable in conducting the people's business.

The OBA is ready to get the job done – to make our Island work better for our families, our students, our seniors, our entrepreneurs and businesses.

Bermudians will soon be given the opportunity to decide whether they can afford five more years of unemployment, soaring debt and violence or whether they believe it's time for change, with new leadership, new ideas and a vision to get us moving forward in a new and better direction.

**Mr. Speaker,**

The One Bermuda Alliance is the change. We are committed to building a Bermuda based on social and economic equity for all, leaving no one behind.

That's the brighter future we can all believe in.