MINISTERIAL STATEMENT

By:

The Hon. Jason P Hayward, JP, MP

Minister for the Ministry of Economy and Labour

Financial Assistance Reform-Strengthening Social Protections for Bermudians

Friday, May 5th 2023

Good morning, Mr. Speaker.

In the 2022 Speech from the Throne the Government committed to expanding the Child Daycare Allowance programme, and continuing work to reform Financial Assistance. Today, I am pleased to table in this honourable house the financial assistance reform policy paper which maps out the framework to strengthen the social protections for Bermudians. The changes will assist Bermudians with maintaining a dignified standard of living.
Mr. Speaker, the recent pandemic placed undue hardships on many families in Bermuda, and as a result, the Ministry of Economy and Labour responsible for the Department of Financial Assistance is making progress in ‘reforming’ the current programs, to provide additional social and economic support to help families to rebuild and regain confidence allowing them to be productive contributors in the community.

Mr. Speaker, the programs under the operational guidance of the Financial Assistance Act 2001 and the Child Day Care Allowance Act 2008 together with the Regulations, offers financial assistance to eligible Bermudians who cannot meet the cost of their basic living requirements or expenses, resulting in the need for partial or full financial awards.

Mr. Speaker, the Financial Assistance Reform strategy aims to chart a new course by making financial assistance a more lucid, effective and efficient system that places emphasis on transforming and empowering those who have been determined to have a need.

In order to ensure that Bermudian families are supported, and are less burdened, this Ministry proposes to make a number of changes to the current system, with the ultimate goal of increasing access to current social protections, and the overall coverage of benefits. Enhancements will include, but are not limited to:
• expanding eligibility;
• allowing recipients to retain partial income from work;
• improving support to assist Bermudian children with greater access to child day care and child maintenance;
• adding new funding schemes to allow the receipt of ‘gifts’; and
• creating short-term funding for sudden hardships.

**Mr. Speaker,** a review of asset rules to enhance the ability of individuals and families to become financially stable is also being considered in the proposed reform initiatives. An adjustment to asset limits will allow Bermudians to save and improve their financial standings to prepare for the day that they can transition off of the system.

**Mr. Speaker,** further changes will include amendments to the Schedule of Allowable Expenses in order to reflect current economic market costs. Families will have greater support to meet their monthly obligations following the implementation of this change.

**Mr. Speaker,** in addition, the seven (7) year term for abled-bodied persons to be on the system will be altered. An amendment to the legislation will provide persons who have reached their seven (7) year term with a ‘standard benefit award’ that will include food allowance, health insurance and a room rate.
Mr. Speaker, the proposed reform initiatives will be made in this legislative session to promote enhanced protections to individuals, and families in need and provide assurances that the Government is committed to realizing the promises made to strengthen social protections for Bermudians.

Thank you Mr. Speaker.