



Ministerial Statement
By
The Hon. Walter H. Roban, JP, MP
Minister of Home Affairs
Friday, 1st March 2019

The Bill entitled Municipalities Reform Act 2019

Mr. Speaker, as the Order Paper indicates, I will today table a Bill in this Honourable House to start the process of much needed reform of Bermuda's municipalities.

Mr. Speaker, this Bill proposes to repeal of elections in the Corporations of Hamilton and St. George, and continue these corporations as QUANGOs.

Mr. Speaker, during the debate in 2018 Government deferred the municipal elections while making a commitment that we would determine the most appropriate method to strengthen and modernize municipal governance for the benefit of Bermuda. This commitment was repeated in the 2018 Speech from the Throne. A repeal of the elections for this year would also realise a savings of approximately \$79,000.

Mr. Speaker, as an example, the UK Local Government Act 2000 which states that every local authority in the UK was created to achieve one or more of the following;

- The promotion or improvement to the economic well-being of their area,
- The promotion or improvement of the social well-being of their area, and
- The promotion or improvement of the environmental well-being of the area.

Mr. Speaker, we must ask the question of whether the municipalities are adequately prepared to fully achieve any of the previously stated goals. It is the government's position that neither Corporation has the financial resources or expertise to meet the stated objectives

Mr. Speaker, the Government has published its vision for the Corporations and I must remind Honourable Members at this juncture:

For the **Town of St. George**, it is envisioned that there will be a mega-yacht port and marina with enhanced infrastructure, amenities and activities. In order to achieve this vision, the following needs must be met:

- i. A sustainable management plan for the world heritage site;
- ii. A sustainable and non-seasonal industry;
- iii. Infrastructure and amenities to address the needs of the community in addition to the businesses, particularly the St. Regis development
- iv. General infrastructure upgrades

For the **City of Hamilton**, it is envisioned a "smart city" infrastructure with a thriving residential centre with an entertainment hub with distinct districts to touch all aspects of city living including a tourism interface. In order to achieve this vision, the following needs must be met:

- i. The development of a multi-faceted waterfront;
- ii. Increased city living
- iii. Increased use of vacant office space
- iv. Effective traffic management using "smart city" technology
- v. Encouraging the development of 'districts', e.g. financial, entertainment, restaurant, etc.

Mr Speaker, I would like to take the opportunity to address some of the concerns that have been raised publicly:

1. There have been concerns that the rate payers within the city limits will no longer have input into the selection of the Mayor and the 8 Councillors. While elections will be repealed, persons who reside, do business or work in each municipal area will have the opportunity to participate in the selection process.
2. The Government has no intention at this time to (a) dismantle the existing operating structure of each municipality or (b) do away with the positions of Mayor or Councillors. The Government intends to repeal the vote and appoint persons with the expertise and enthusiasm to implement the Government's vision. There will continue to be a Mayor and 8 Councillors.
3. There will be no loss of jobs in either municipality. However the Government intends to provide more support to both municipalities. This has already begun, for example:
 - a. The sewerage project that is being undertaken by the Ministry of Public Works will replace the work that is being currently undertaken in the respective Corporations and will reduce the proposed capital outlay of \$8.5 million over the next 3 years for the Corporation of Hamilton, in particular;
 - b. The Department of Planning is currently producing the management plan for the World Heritage Site in St. George's. The status of the world heritage site is under threat in part because of the lack of a proper management plan. In addition, the Corporation of St. George does not have the funds to undertake infrastructure repairs and has traditionally appealed for a grant from Government in the amount of between \$1 million and \$2 million dollars. As a result, the Government intends to give greater authority to the Corporation of St. George's, both legislatively and financially;
4. It has been said that the crumbling assets and empty buildings have nothing to do with the stewardship of the Corporations. It must be noted however that some of the Corporations' assets are also in a state of disrepair such as the docks. For investors to take an interest in Bermuda, they must also view our municipalities as thriving entities worth their investment. As stated in the consultation document, the Corporations are the lifeblood of the island and they are a reflection of our economic and social health;

5. There has been accusations that the current Administrations in both municipalities will not be allowed to continue to the expiry of their terms. The current Mayors and Councillors will continue to serve until the expiry of their terms on the 13th of May.
6. There will be no “asset grab”. This is not possible as each municipality will remain a body corporate.

Mr Speaker, as far back as 2017, the issue of the potential of the development of the Waterfront was raised with the Corporation of Hamilton and the Minister was informed that this was not a priority for the Corporation. Similarly he raised the possibility of introducing smart city technology into the City and was informed that the City did not have the money.

It is important that Honourable members understand the significance of a smart city. Cities worldwide, the top 5 being Singapore, Barcelona, London, San Francisco and Oslo, are turning to new technology to search for new approaches and solutions that will improve city transportation, water and waste management, energy usage, and a host of other infrastructure issues that underpin the operation of cities and the lifestyle of urban citizens. Interestingly, the Corporation of Hamilton has recently announced that they are using smart city technology to improve traffic flow.

Mr. Speaker, there have been disparaging assertions that the Government has not consulted and are not listening to the opinions of those that have made submissions. These assertions could not be farther from the truth. While information has been gleaned from the public meetings and surveys, I have also met with a number of stakeholders in both municipalities and have heard their concerns. While we acknowledge the achievements of both Corporations, we must also ensure that they are serving the needs of all the stakeholders. We will also be holding town hall meetings next week. The first meeting will take place on March 5 from 6:30pm at East End Primary School while the second meeting will take place on March 7 from 5:30pm at the New Testament Church of God: Heritage Worship Centre.

Mr. Speaker, as we have stated previously, the two levels of Government (national and municipal) can no longer operate in economic or decision-making silos, particularly in an island of 22 square miles with 61,000 residents; and the case for changing the status quo has become

stronger in recent years. Ongoing reform is often evolutionary, and, at times, revolutionary. In order to rejuvenate our municipalities, we can no longer try to solve 21st century problems with 20th century, or, as some have argued so eloquently, 18th century solutions. This Bill begins the journey towards achieving this goal.

Thank you **Mr. Speaker**