The Cost-of-Living Bill: A Fuller Picture

A Chamber perspective on the Cost-of-Living Commission Amendment (No. 2) Bill 2026

The Bermuda Chamber of Commerce · August 2026

DISCLOSURE: DUAL ROLE AND GOVERNANCE

A Chamber officeholder also serves on the Cost-of-Living Commission in a personal capacity. That individual contributed analysis to the Chamber and participated in reviewing this response. A strict informational boundary was maintained throughout that participation.

All analysis, discussion and review were confined to information independently available in the public domain or otherwise lawfully obtained by the Chamber through its own channels. No confidential or non-public Commission information, deliberation, document, position, intention or individual commissioner's view was disclosed, confirmed, denied or relied upon.

This response is the Chamber's institutional position, prepared and approved by its Membership. It does not represent or disclose any view held by the individual in a Commission capacity, any other commissioner or the Cost-of-Living Commission.

KEY FACTS AT A GLANCE

1. **Price transparency.** Already in law since June 2022, with weekly publication required since November 2022. The Bill does not add it. What the Bill adds is cost disclosure - a different regulatory instrument.[1]
2. **The number.** The $4.6 million in grocery duty relief -spread across Bermuda's roughly 30,000 households (28,192 at the 2016 Census), on the order of $3 per household per week -matters, but the $40 million public headline does not survive scrutiny. Its composition has not been transparently broken down but appears to consist substantially of fuel and electricity relief - a category the Chamber has publicly supported in successive Chamber submissions. The Bill's compliance apparatus is being built around the $4.6 million grocery slice; no impact assessment on proportionality was produced.[2]
3. **Regional comparators.** Jamaica compels nothing from retailers. The Bahamas is a cautionary tale the Inter-American Development Bank warned about in 2022. The United Kingdom, New Zealand and Australia operate business-to-business supplier codes administered by independent competition regulators. None supports what No. 2 introduces.[3]
4. **The Commission's own delivery.** Statutory duties on the Commission since 2022 - not met. Two grocers have publicly supplied data; the wider grocery-pricing data is already public at pronto.bm, dropit.bm, shop.miles.bm and marketplace.bm.[4]
5. **Prior positions.** For six years -through 2020, 2025, and March 2026 - the framework was described in terms that would exclude what No. 2 introduces. The position changed only after 8 May 2026, when the essential-commodities list was doubled by regulation with no Parliamentary vote.[5]
6. **Consultation.** The underlying regulations were made and in force before the one industry meeting. The Bill's substantive text was seen only days before House passage. No impact assessment was produced.[6]
7. **Grocery inflation.** Bermuda food +41.9%, United States food +39.9% over the same decade (December 2015 - March 2026). Bermuda's food inflation tracks the country from which it imports most of its groceries.[7]

---

1 Cost of Living Commission Act 1974, ss. 10A/10C; Cost of Living (Essential Commodities) Regulations 2022 (BR 125/2022), Reg. 8. All Bermuda statutes and instruments at www.bermudalaws.bm. Delivery record: Fact Check #4.
2 Minister of Home Affairs, House of Assembly, 17 July 2026: "$4.6 million in annual duty forgone across $50.7 million of imports"; and in closing, relief "to the tune of $40 million over successive years" — the same phrase used in the Minister's July 2026 column. Households: 2016 Census (28,192). Quotations from the July 2026 proceedings throughout this response are transcribed from the official audio broadcast of the Legislature; the official Hansard for sittings after March 2026 had not been published at the date of this response. Full transcripts of all audio-derived quotations are available from the Chamber on request.
3 Jamaica Consumer Affairs Commission (price surveys); Bahamas Price Control Act, Ch. 339, and Inter-American Development Bank review (2022); UK Groceries Supply Code of Practice 2009 / Groceries Code Adjudicator; NZ Grocery Industry Competition Act 2023 / Commerce Commission; Australia Food and Grocery Code / ACCC. See Fact Check #3.
4 1974 Act, ss. 10A/10C; Reg. 8, BR 125/2022. Retailer price feeds: pronto.bm, dropit.bm, shop.miles.bm, marketplace.bm.
5 Senate Hansard, 24 June 2020; the Premier, Chamber of Commerce Budget Breakfast, 5 May 2025; House of Assembly, 27 March 2026 (Amendment Act (No. 1)); Cost of Living (Essential Commodities) Amendment Regulations 2026, Gazetted 8 May 2026.
6 House of Assembly, 17 July 2026 (audio transcript), including committee stage; Amendment Regulations Gazetted 8 May 2026, before the one industry meeting (late May 2026).
7 Bermuda Department of Statistics, Consumer Price Index (monthly releases to March 2026 (released August 2026)); US Bureau of Labor Statistics, CPI-U All Items (CPIAUCNS) and Food (CPIUFDNS), not seasonally adjusted. Method and series: Appendix A.

P.O. Box HM 655, Hamilton HM CX, Bermuda
T (441) 295-4201 | E info@bcc.bm
www.bermudachamber.bm

> *"Government should ensure its role in the economy is one that creates a strong ecosystem that supports positive growth… its role is not to micromanage the economy."*
> — The Bermuda Chamber of Commerce, response to the 2024 Throne Speech

This document is a fact-check. It records seven factual matters, each drawn from primary sources - the Bill itself, the official record of the Legislature, the Government's own figures, the Acts and Regulations, and Government-authenticated public statements - that materially affect how the public and the Senate should understand what the Cost-of-Living Commission Amendment (No. 2) Bill 2026 does and how it came to be tabled.

The Chamber supports the goal of easing the cost of living. It does not support this Bill. The reasons are set out in the pages that follow - starting with the consumer, whose interests this response speaks for; then setting out the four regulatory instruments the public debate has been conflating; then working through the seven fact-checks; and closing with what the Chamber has been doing on the cost of living, and the alternatives the Chamber proposes instead.

Before the analysis: what everyone in Bermuda is living with

The cost of living in Bermuda is not an abstract policy question. It is the daily arithmetic that shapes a household's week -what fits in the basket, what gets put back on the shelf, what shift gets picked up to make it work, and increasingly, whether it is worth staying at all. The Government's own survey work confirms the sentiment: the number one reason Bermudians who have left the Island cite for leaving is the cost of living, ahead of every other factor. It is the same reality the Chamber's own members, and their staff are living, in the same aisles and at the same registers.

Nothing in this response minimises any of that. The affordability crisis in Bermuda is real, it is urgent, and it deserves the serious response the Government says it does. The Chamber's disagreement with the Cost-of-Living Commission Amendment (No. 2) Bill 2026 is not about whether to act - it is about whether this instrument, in this form, will make the situation better or worse for the very households it is meant to help. Chamber-member businesses employ the same Bermudians whose grocery bills are the subject of this debate; their staff, their families, their neighbours are living the same pressure. The Chamber writes this response as an organisation whose members are also Bermudians - in the belief that a good-faith exchange about what actually works is more useful to the family standing in the grocery aisle than any legislation that misfires the diagnosis.

In response to the 2024 Throne Speech, the Chamber provided this feedback, which remains relevant today on "Over-Regulation and Economic Management". Other items such as Ministerial non-objection for banking fees and potentially overly aggressive competition policy in a small market environment continue this trend.

- *We are concerned about the potential over-regulation in sectors such as food, where competition is already robust.*
- *Government should ensure its role in the economy is one that creates a strong ecosystem that supports positive growth and benefits to the wider residents (quoted above).*
- *Regressive or knee-jerk policies tend to lack positive long-term results and risk missing the mark on core issues, such as immigration reform, education, senior care, and pensions*.

Speaking for the consumer

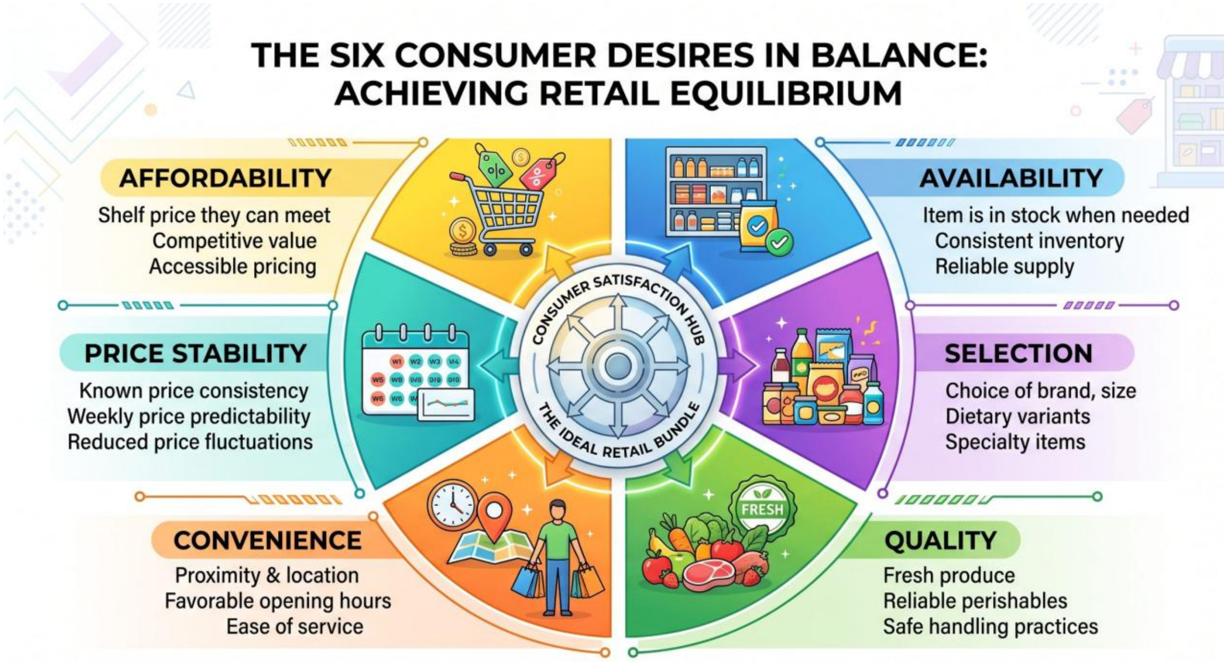
The whole reason this Bill exists is that Bermudian households are struggling. That is the right starting point, and the Chamber shares it. But at the register, what matters is what a household can actually afford -not the vocabulary used to describe what is being done for them, because households do not eat word salads. The question that has to be answered honestly is: what do those households actually want from their grocery experience? Because the answer is not one thing - and getting the answer wrong makes the situation worse, not better.

Every successful business, in every sector, exists because it provides value to its customers. Value includes price - price always matters, and it especially matters now - but value is more than price alone. A store that stocks what you need, opens when you need it, keeps its produce fresh, and stands behind its products is delivering value that a shelf tag alone does not capture. That is not a philosophical observation; it is the everyday judgment a customer makes at the checkout. Understanding what the customer actually wants, in the round, is the difference between policy that helps and policy that misfires.

P.O. Box HM 655, Hamilton HM CX, Bermuda
T (441) 295-4201 | E info@bcc.bm
www.bermudachamber.bm

What consumers actually want

Consumers want a bundle of six things, and they want them in balance:



These variables are not independent. They trade against each other, and they trade against structural constraints - freight, wharfage, duty, tax, currency, small-market scale - that domestic policy cannot cure. Force one variable, and one or more of the others will move to accommodate it. A regime that optimises for the single variable easiest to measure and most emotionally loaded - the shelf price on the day of measurement - while leaving the effect on the other five to fall where it may, is not consumer protection in the round - it protects one variable at the expense of the other five.

The public trust deficit is real, and this response takes it seriously

Households have watched grocery prices rise steadily from 2015 through 2026 - and sharply from 2022 - and have concluded, reasonably, that someone in the chain must be making excess money. The frustration is real. Chamber-member businesses live in the same economy and hear the same frustration from their own staff, family and neighbours. Nothing in this response minimises it.

The right answer to that trust deficit is verification with credibility - not compulsion. Credible independent verification of duty pass-through, conducted on a published methodology and reported to the public in summary form, gives the citizen who is sceptical of retail margins an assurance they can read and rely on. It answers the trust deficit at the point where the trust deficit actually sits (in the public), rather than displacing it into a regulatory apparatus whose outputs the public will never see.

What the Bill trades away, in exchange for what

The Bill's central mechanism - compulsory monthly cost filings, a 5% notice-and-freeze, Ministerial power to disallow - has, in each of the developed-economy jurisdictions the Chamber has examined where it has been tried, produced the same trade-offs:

- **On Availability:** products withdrawn from the shelf when landed cost cannot be recovered above the ceiling.
- **On Selection:** consolidation to the largest operators who can absorb compliance cost that smaller operators cannot.
- **On Quality:** pressure on perishable margins pushes operators to shorter shelf-life SKUs or removes fresh categories entirely.
- **On Convenience:** compliance cost is regressive within the sector - the corner store bears the same reporting burden as the chain and closes first. (The underlying regulations do direct consideration of business size and capacity, technical guidance and reasonable adoption periods; those provisions ease the transition into the regime - they do not alter the trade-offs above.)

P.O. Box HM 655, Hamilton HM CX, Bermuda
T (441) 295-4201 | E info@bcc.bm
www.bermudachamber.bm

- **On Price stability:** price-freeze regimes historically produce sharp catch-up movements when controls are lifted - the opposite of stability.
- **On Affordability itself:** the mechanism does not lower freight, duty, sugar tax or FCPT - the actual cost drivers - so the shelf-price benefit is small and often invisible against the inflation the Bill is meant to counter. The scale problem is easy to illustrate: landed cost (goods, freight and duty) typically makes up roughly 40-50% of the shelf price for many grocery items, so a 5-percentage-point duty cut lowers the shelf price by only around 2-2.5%, not 5%. A movement that small is easily lost inside the week-to-week price fluctuations that landed and local costs already produce. The costs of acquiring goods and providing services are in constant flux, which is exactly why the relief can be real and still be genuinely hard for a shopper to see.

Duty relief is not shelf-price relief — duty is only part of the first cost

Shelf price is built from first cost (goods, freight and duty landed in Bermuda) plus the retailer's own operating costs and margin. Industry estimates put first cost at roughly **40–50% of shelf price** for a typical grocery item - duty is only one component of that first-cost share. **Worked example:** if first cost is 45% of a $10 shelf item ($4.50) and duty is cut by 5 percentage points, the saving is 5% of $4.50 -about 22.5 cents, or roughly **2–2.5% off the shelf price, not 5%**. A movement that small is easily lost inside the week-to-week price fluctuations that freight, currency and local operating costs already produce - which is exactly why duty relief can be real, fully passed through, and still be genuinely hard for a shopper to see on the shelf tag.[8]

The Chamber's position is not that affordability doesn't matter. It is that consumer wellbeing is a bundle, and that a Bill which trades away availability, selection, quality, convenience and price stability - for a shelf-price effect the Government's own CPI already shows is being delivered without the Bill - is a bad trade for the consumer it claims to serve.

The Minister of Home Affairs has publicly asked: "Who is speaking for the consumer?" The Chamber's answer is this: the Chamber is speaking for the consumer, and it is speaking for the whole retail bundle.

Four different tools, often described as the same thing

Much of the public conversation has moved between four distinct regulatory instruments as though they were interchangeable. They are not - and the distinction is the hinge on which the whole debate turns. In a sentence: **Price Transparency** was already law and has not been delivered. **Cost Disclosure** is what this Bill actually adds. **Price Monitoring** is what the March 2026 amendment authorised, and the tool has not launched. **Price Controls** are what it re-arms. In more detail:

1. Price Transparency

Prices disclosed to the consumer at or before the point of sale - shelf tags, flyers, published price lists. Already law since June 2022 (sections 10A/10C of the 1974 Act; weekly publication under the 2022 Regulations) and never delivered by the Commission -even as retailers voluntarily publish shelf prices at pronto.bm, dropit.bm, shop.miles.bm and marketplace.bm. The Bill adds nothing here; the Minister has confirmed on The Daily Hour that transparency "has always been in the law."[9]

2. Cost Disclosure

Compelling businesses to file the components behind the price - landed cost, freight, mark-up - with a regulator. Across the developed economies the Chamber has examined, this exists only for regulated utilities, prudential supervision of banks and insurers, and time-bound competition investigations. As a standing regime for retail groceries it is characteristic of interventionist economies - Argentina, Hungary, Venezuela - where it produced shortages, record food inflation, or worse; the two closest developed-economy experiments, France's overseas territories and Greece, are examined in Fact Check #3 - and confirm the

8 First-cost share: industry estimates from Chamber-member importers and retailers (anonymised submissions). Customs duty is levied on landed value, not shelf price.
9 Minister of Home Affairs, The Daily Hour talk show, 10 August 2026 (audio transcript): "Price transparency has always been in the law for 33 essential goods."

P.O. Box HM 655, Hamilton HM CX, Bermuda
T (441) 295-4201 | E info@bcc.bm
www.bermudachamber.bm

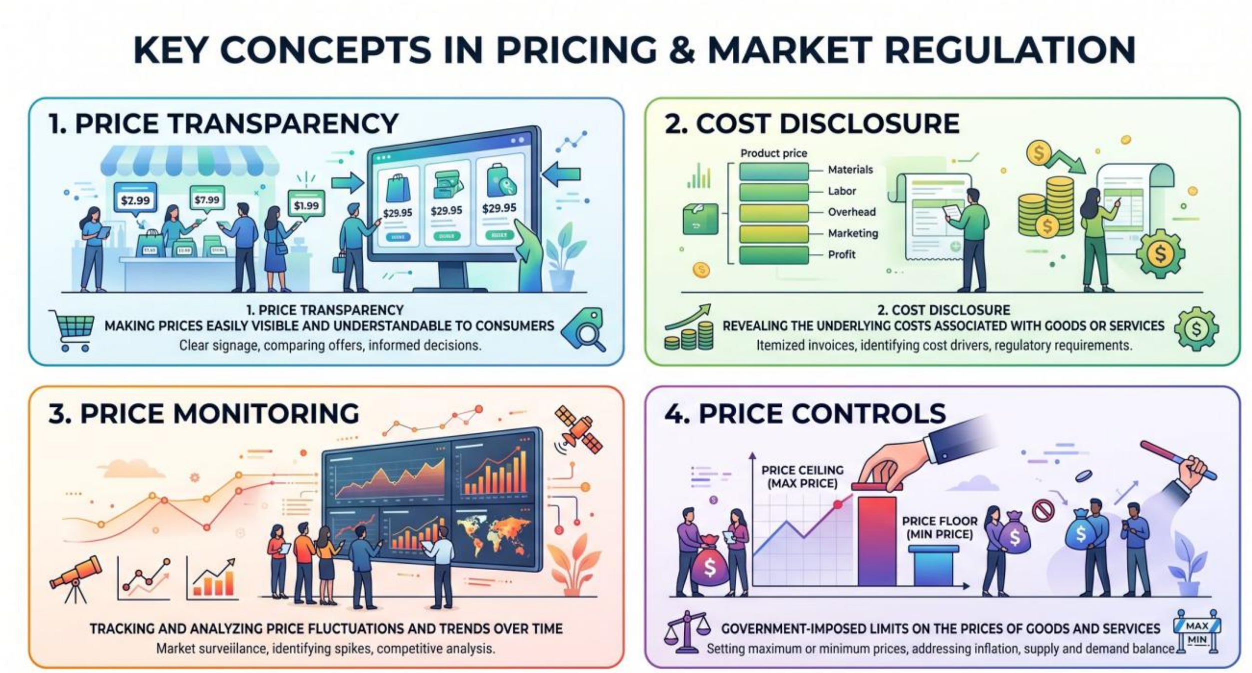
pattern. This is what the Bill adds, on the Minister's own description: the amendment "expands to understand the journey that an essential good travels and the costs that make up that final price."[10]

3. Price Monitoring

A regulator observing prices over time without compelling business action - Jamaica's model, and exactly what the March 2026 amendment authorised here. Six months later, that consumer-facing comparison tool has not launched.[11]

4. Price Controls

A regulator's power to approve, freeze or disallow a price. Dormant in Bermuda since 1974 - the price-control schedule has been empty for 52 years. The Bill supplies the mechanism to populate it by Ministerial order and a 5% notice-and-freeze. To be precise: the 5% mechanism bites only where both a business (or prescribed category of business) and a commodity (or category) have been scheduled - it is not automatic across all essential goods or all retailers. But the essential-commodities list - doubled by regulation on 8 May 2026 - is the pool from which scheduling draws, and the architecture to schedule is what the Bill supplies. This is what the Bill re-arms.



What "freeze" means in practice: thirty days. Under section 3(3) of the 1974 Act, once a business and commodity are placed on the Second Schedule, a price increase may not take effect for thirty days following notice, and the Commission may disallow, postpone or modify it. This is not the Chamber's inference. Presenting the Bill in the House, the Minister confirmed that businesses on the Second Schedule "must give the commission written notice of such increases before it takes effect"; presenting it in the Senate, the Junior Minister of Home Affairs confirmed that the Bill "enables essential commodities also to be subject to price increase control" where in the public interest, with the 5% threshold defining what constitutes an increase in those cases.[12]

Why thirty days matters for perishables. A thirty-day standstill is a design detail for a durable good and an operational problem for fresh produce, dairy, meat and bakery - goods that cannot be stored through a month-long review and cannot be sold profitably at an unadjusted price once landed cost has moved. In May 2026 the essential-commodities list gained several fresh-produce lines - grapes, berries, avocados, lemons among them- categories that routinely move more than 5% within a year on ordinary seasonal and freight variation. The point was put to the Senate directly - by the time the thirty-day window closes, as one senator put it, "that perishable good has perished." Once such an item is scheduled, an importer facing a landed-cost increase above the threshold faces three options: absorb it (unsustainable on thin perishable margins), file for the thirty-day review (during

10 The Daily Hour, 10 August 2026 (audio transcript).
11 Cost of Living Commission Amendment Act 2026 (No. 1), passed 27 March 2026.
12 1974 Act, s. 3(3) and Second Schedule. House: Minister of Home Affairs, second reading, 17 July 2026 (audio transcript). Senate: the Junior Minister of Home Affairs (Sen. Lindsay Simmons), second reading, 22 July 2026 (audio transcript).

P.O. Box HM 655, Hamilton HM CX, Bermuda
T (441) 295-4201 | E info@bcc.bm
www.bermudachamber.bm

which the product is effectively unsellable - not saleable at the new price, and not storable at the old one), or delist it. Two of the three outcomes remove the item from the shelf.[13]

A live test: what the March 2026 CPI would have triggered

The Department of Statistics' March 2026 CPI - published in August 2026, the same month as this response- offers a real-world test. Year-over-year: **Meats +10.4% (and +2.2% in March alone), Poultry +9.1%, Tea, Coffee and Cocoa +5.4%, Sugar +4.8%** -category movements at or near the Bill's 5% threshold, in categories the expanded essential-commodities list now covers. A CPI category is an average across many products and retailers, and individual shelf prices move more than the average in both directions -so movements of this scale reaching the index mean that many individual scheduled items crossed the 5% line within the year, and some within a single month. Had businesses and these commodities been scheduled, each such increase would have required written notice and a thirty-day standstill, subject to disallowance -for meats and poultry, on perishable stock. On the Government's own newest data, ordinary market movements in the month before this paper would have tripped the machinery the Bill arms - not once, but across whole categories.[14]

Every fact-check that follows is best read against that distinction.

Where does this stop?

Cost disclosure, once established as a principle for one sector, has no natural stopping point written into the Bill. The same logic that requires a grocer to file landed cost, freight and mark-up can be applied, without any further legislative change of principle, to any other business that sells to a Bermudian household.

That is not a prediction that the Commission will next regulate restaurants. It is an observation about the architecture of the power being created - the Bill contains no limiting principle - beyond the scheduling and designation steps described below - that would prevent the same framework from being extended to other categories of goods or services once the precedent is set. The two questions below are offered purely for discussion, to help visualise where an unbounded principle could lead. They are not proposals, and nothing in the record suggests the Commission intends to pursue them:

- *Would a restaurant have to itemise the cost and mark-up behind a codfish breakfast or a fish sandwich on the receipt?*
- *Would a grocer be required to print its first cost on the shelf tag beside the retail price?*

One extension along these lines is not hypothetical at all. New section 10DA lets the Minister designate **electricity, telecommunications and trucked water** as "critical services," and the Bill's amended definition of "price" expressly reaches "any tiered pricing plan, base rate, fee, duty, tax, surcharge or credit" - wording already broad enough to cover a utility bill, not only a shelf tag.[15] The same definition contains no carve-out for promotional or temporary pricing: the committee-stage reassurance that specials are excluded rests on a Commission-minute understanding, not on any provision of the Bill.[16] Nor is the pattern confined to this Bill: in August 2026 the Bermuda Monetary Authority separately opened a consultation requiring banks to obtain Ministerial clearance before changing certain fees - the same architecture, in a different sector, the same year -and even there, introduced by consultation, the step this Bill skipped.[17]

Two of the three steps that build toward a scheduled price-control action need no vote at all. The essential-commodities list -the pool of items eligible to be scheduled - has no statutory cap and can be expanded further by negative resolution, exactly as it was in May 2026 (33 items to 68, with no Parliamentary vote).[18] The 5% trigger that activates the notice-and-freeze mechanism can likewise be lowered by the Minister, by negative resolution, to 4%, 3% or lower. Only the final step -scheduling a business, sector or commodity into the Second Schedule itself - requires an affirmative vote of both Houses; but because the Bill allows scheduling by "prescribed category," that single vote can sweep in an entire industry at once, not just one named firm.

13 Senate, 22 July 2026 (audio transcript): exchanges on the 30-day window and perishables (Sens. Tannock and Wight).
14 Bermuda Department of Statistics, Consumer Price Index, March 2026 (released August 2026): division and group tables (Meats & Meat Products, Poultry, Tea, Coffee and Cocoa, Sugar & Sugar Confectionary).
15 No. 2 Bill, cl. 2 (definition of "price") and new s. 10DA (critical services).
16 House of Assembly committee stage, 17 July 2026 (audio transcript): the Commission "did deliberate and… decided that no, not specials." Senate, 22 July 2026: stated as a point of information that the Bill "excludes specials." No such carve-out appears in the Bill text.
17 Bermuda Monetary Authority consultation, August 2026.
18 Cost of Living (Essential Commodities) Amendment Regulations 2026, Gazetted 8 May 2026; No. 2 Bill, cl. 4 ("prescribed category").

P.O. Box HM 655, Hamilton HM CX, Bermuda
T (441) 295-4201 | E info@bcc.bm
www.bermudachamber.bm

The point of the two questions above is not either example specifically - it is that the Bill does not say no to them. And on the evidence just set out, at least one comparable extension is no longer a question at all.

Two further points follow directly from the text.

First, the Bill provides no meaningful confidentiality protection for the businesses required to disclose. The only confidentiality language protects information flowing between the Commission and other public authorities. It does not protect the commercial position of the firm that has been compelled to hand over its cost structure. In a small market, the competitive sensitivity of that information is real.

Second, competitive pressure among retailers already performs much of the work that cost-disclosure regimes claim to perform. When that pressure is functioning, requiring firms to reveal the internal components of their pricing does not improve the consumer's position; it simply transfers commercially sensitive information to a regulator while leaving the structural drivers of cost -freight, duty, scale, and currency - untouched.

Seven points worth clarifying

The public debate on this Bill has, in places, moved past the primary sources. What follows are seven matters of fact drawn from the Bill's own text, the official record of the Legislature, the Government's own figures, and the primary statutes and regulations. Each is verifiable. Each materially affects how the Bill should be understood.

FACT CHECK #1 · Price transparency - what this Bill does not actually add

AS FRAMED - *The Bill is a transparency measure that will strengthen the public information available on prices.*

ACTUAL - Price transparency has been law since June 2022 - a public price database and weekly publication *(ss.10A/10C, 1974 Act; Reg. 8, BR 125/2022)* - and the Commission has delivered neither. What the Bill adds is **cost disclosure**, a different instrument. The Minister confirmed both points on The Daily Hour: transparency "has always been in the law," while the amendment "expands to understand … the costs that make up that final price."[19]

FACT CHECK #2 · The size of the grocery relief the Bill is designed to verify

AS FRAMED - *The Government cites approximately $40 million in duty relief as the benefit the Bill exists to verify.*

ACTUAL- The grocery relief is $4.6 million a year[20] - spread across Bermuda's households - 28,192 at the 2016 Census, the most recent official count; approximately 30,000 today - on the order of $3 per household per week (an upper-bound illustration that assumes full and even pass-through to households, with no commercial or visitor share). The $40 million is a cumulative, multi-year total - described by the Minister on the floor of the House, and in her own July 2026 column, as relief "over successive years" - and it has never been broken down publicly. On the Chamber's reconstruction from the Government's own published figures -which Government could confirm or correct by publishing the schedule - roughly $14 million of it is electricity fuel-duty relief[21], a measure the Chamber has consistently supported - and one whose pass-through is already verified automatically: fuel-duty relief reaches every electricity bill in full through the Regulatory Authority's Fuel Adjustment Rate, a 100% cost-recovery mechanism, with no Commission apparatus required. The Bill's compliance apparatus is thus being built around the $4.6 million grocery slice, and no impact assessment weighed its cost against that.

19 The Daily Hour, 10 August 2026 (audio transcript); statutes at n. 1.
20 House of Assembly, 17 July 2026 (audio transcript); see n. 2.
21 House of Assembly Hansard, 20 September 2024 ($10m estimate at passage) and 30 May 2025 ($4.2m); Regulatory Authority of Bermuda, Fuel Adjustment Rate determinations.

P.O. Box HM 655, Hamilton HM CX, Bermuda
T (441) 295-4201 | E info@bcc.bm
www.bermudachamber.bm

FACT CHECK #3 · **What the regional comparators actually do**

AS FRAMED - *Bermuda "does not walk this road alone" - Jamaica, the Bahamas and international codes are cited as regional and international support.*

ACTUAL - Examined against their own instruments, each cited comparator points away from what No. 2 introduces:

- **Jamaica -**compels nothing: the Consumer Affairs Commission surveys shelf prices and publishes a free comparison tool. No business reporting, no cost disclosure, no price control.
- **The Bahamas -** a fixed-markup regime (Price Control Act, Ch. 339) the Inter-American Development Bank flagged in 2022 for disproportionately burdening small operators; its breadbasket rose sharply anyway, and the government simultaneously added 10% VAT to those same previously exempt breadbasket items - taxing upward the very basket it was capping.
- **Barbados -**chose a voluntary Social Partners Food Prices Compact instead of legislation: retailers agreed with government and labour to compress margins on a defined core list (fifty items, now 200) while remaining free to set markups elsewhere -a negotiated rebalancing of margin, not a statutory mandate.
- **United Kingdom, New Zealand, Australia-** the codes the Minister has invoked (Groceries Supply Code of Practice 2009, administered by the Groceries Code Adjudicator; Grocery Industry Competition Act 2023, Commerce Commission; Food and Grocery Code under the Competition and Consumer Act, ACCC) are business-to-business supplier-protection codes run by independent competition regulators. None regulates retail prices.
- **France and Greece -** the two developed-economy schemes that come closest to No. 2, though the Government has cited neither. France's overseas island territories - the nearest structural analogue to Bermuda anywhere - have run the Bouclier Qualité Prix since 2012: an annually negotiated cap on the global price of a basket of essentials, fixed by prefectoral decree if negotiation fails, informed by standing price-and-margin observatories. Thirteen years on, overseas prices still run roughly 30% above mainland France, Martinique saw cost-of-living unrest in 2024, and the law's own author is legislating a second time because, in his words, "opacity and rents remain." Greece's crisis-era household basket compelled weekly price submissions from major supermarket chains, with a parallel cap on grocery margins; both were repeatedly extended, then allowed to lapse - the margin cap in July 2026 - while Greek food inflation stayed among the eurozone's highest. The two closest experiments confirm the pattern: the machinery persists, the structural price gap does not close.[22]

None of the cited comparators requires a business to disclose its cost structure or margin to a regulator; compulsory cost-and-margin disclosure of the kind No. 2 introduces sits closer to measures used in interventionist economies such as Argentina and China than to any comparator cited. **None supports what No. 2 introduces.**[23]

FACT CHECK #4 · **The Commission's own obligations under existing law**

AS FRAMED - *Businesses have failed to comply with data requests; the Bill's coercive powers are needed.*

ACTUAL -The Commission has been under mandatory duties of its own since 2022 - a public price database (June 2022) and weekly publication (November 2022) -and has delivered neither. Two grocers have publicly supplied data, and shelf prices are already public in real time at pronto.bm, dropit.bm, shop.miles.bm and marketplace.bm. On the available evidence, business non-compliance is not established as the principal bottleneck. It has also been stated that businesses which supplied price information were nonetheless treated as non-compliant over the form in which it was provided, not its content - and the 1974 Act nowhere defines what a compliant submission looks like.[24]

22 France: Loi n° 2012-1270 (20 November 2012), art. 15, codified at art. L.410-5, code de commerce; annual prefectoral BQP decrees (e.g., La Réunion 2026: 175 products, €403); Assemblée nationale, question au Gouvernement n° 745 (2023) on the persisting ~30% overseas price gap; Le Monde, 29 September 2023 (Martinique); Sénat, second Lurel bill, March 2025 ("l'opacité et les rentes demeurent"). Greece: Law 4986/2022, art. 87, and Ministerial Decision 104093/2022 — household basket in force 2 November 2022 to 31 December 2024 (Eurofound measure GR-2022-45/3091); grocery margin cap not renewed, July 2026.
23 Instruments as at n. 3; Barbados Social Partners Food Prices Compact; IDB review of Bahamian price controls (2022).
24 Duties: n. 1. Price feeds: n. 4. Treatment of form-based non-compliance: House of Assembly debate, 17 July 2026 (audio transcript).

P.O. Box HM 655, Hamilton HM CX, Bermuda
T (441) 295-4201 | E info@bcc.bm
www.bermudachamber.bm

FACT CHECK #5 · **What has been said previously about this framework**

AS FRAMED - *This Bill is a natural continuation of the Cost-of-Living Commission framework.*

ACTUAL - For six years the framework was described in terms that excluded this:

- **24 June 2020 -** a former Chairman of the Cost-of-Living Commission warned in the Senate that dictating prices "will … disrupt the supply of these goods" [25]
- **5 May 2025 -** at the Chamber's own Budget Breakfast, the Premier told the room directly: "I have said in Parliament on numerous occasions that price controls do not work if you put them on a broad measure" -and a framework reaching 68 commodity categories plus designated critical services is not a narrow measure.[26]
- **March 2026 -** moving the first amendment, the Premier called it "housekeeping" with "no desire … to collect any more information" -and nothing in that debate mentioned grocers failing to comply with anything, nor was any such concern raised publicly in the four months before No. 2 was tabled.[27]
- **8 May 2026 -** the essential-commodities list was doubled by regulation with no Parliamentary vote; ten weeks later, No. 2 was tabled to compel exactly that information.[28]

FACT CHECK #6 · **What industry consultation actually looked like**

AS FRAMED - *The Bill was developed through substantive industry engagement, and retailers say the reporting is feasible.*

ACTUAL -No industry consultation was undertaken on this Bill before it was tabled: the Chamber first saw its substantive text when it was tabled in the House of Assembly. The Chamber has engaged the Commission repeatedly on the underlying problem - including its December 2025 presentation on CPI reliability - but engagement on the problem is not consultation on the Bill. The sequence:

- **8 May 2026 -** the regulations doubling the list were signed -before any industry meeting.
- **Late May 2026 -**the one industry meeting held was to agree data-handover formats for regulations already in force - not whether they should exist.
- **10–17 July 2026 -** industry first saw the Bill's substantive text days before the House debate; seven days separated tabling (10 July) from passage (17 July).
- **No impact assessment was produced** -confirmed by the Minister at committee stage.[29]

FACT CHECK #7 · **Grocery inflation over the decade, in comparative context**

AS FRAMED - *"Grocery prices rose 38 per cent in the decade to 2025, more than double the pace of general inflation" - cited as evidence of a competition problem. [Promoting Competition and Market Fairness in Bermuda Consultation Paper]*

ACTUAL -Bermuda food inflation (+41.9%, December 2015 - March 2026) tracked United States food inflation (+39.9%) almost exactly. The "double general inflation" comparison is largely explained by rental cost measurement suppressing Bermuda's headline index (Bermuda rents only rose just 7.2% over the decade per CPI); in the United States, where rents are measured as a part of Housing in US City Average [CPI Index CPIHOSNS] inflated 47.7% over the same decade, and food ran 1.05 times headline CPI. The pattern is consistent with global food costs rather than pointing to a Bermuda-specific competition failure. None of this says Bermuda's price level is acceptable - groceries are painfully expensive here; it says the rate of increase is not evidence of a local competition failure, and a Bill aimed at the wrong cause will not lower the level. See Appendix A.[30]

25 Senate Hansard, 24 June 2020 (published).
26 The Premier, Chamber of Commerce Budget Breakfast, 5 May 2025.
27 House of Assembly, 27 March 2026 (Amendment Act (No. 1) debate).
28 Cost of Living (Essential Commodities) Amendment Regulations 2026, Gazetted 8 May 2026.
29 House of Assembly, 17 July 2026 (audio transcript), second reading and committee stage; Bill tabled 10 July 2026.
30 "Promoting Competition and Market Fairness in Bermuda" consultation paper (August 2026); Bermuda DoS CPI; US BLS CPIAUCNS, CPIUFDNS and Housing (CPIHOSNS), NSA. Calculations: Appendix A.

P.O. Box HM 655, Hamilton HM CX, Bermuda
T (441) 295-4201 | E info@bcc.bm
www.bermudachamber.bm

What the Chamber has been doing

The Chamber's role in the public conversation on the cost of living is not that of a distant critic. It is that of an active participant - contributing evidence-based analysis, engaging directly with policymakers and Government agencies, and running a structured consultation programme with its own members. The record below is a summary of the Chamber's own work programme on affordability and adjacent economic policy over the past two and a half years.

Surveys - including the Government's own voluntary, self-selecting online surveys - are evidence of sentiment, and are treated here as exactly that and no more; for measurement, the analysis in this response relies throughout on the Department of Statistics' CPI.

- **Data Deep Dive series -** A programme of public forums begun at the February 2024 Chamber Budget Breakfast, using primary Government and Chamber-generated data to test the economic assumptions on which the year's policy direction was built. Continued through 2024 and 2025.
- **Housing Deep Dive research -** Chamber Economics Committee research programme drawing on Land Valuation records, Department of Statistics Employment Briefs, historical CPI series, the 1993/2004/2013 Household Expenditure Surveys, building-permit data, and geospatial mapping of the dwelling stock. Foundation of the December 2025 presentation to the Cost-of-Living Commission.
- **"Heads or Tails" Report -** March 2025 substantive public Economic Report from the Chamber Economics Committee, presenting a data-driven analysis of Bermuda's economic trajectory, cost-of-living pressures, housing, and structural challenges.
- **Direct engagement with the Cost-of-Living Commission -** December 2025 Chamber Economics Committee presentation directly to the Commission on CPI reliability, sin-tax receipt transparency, and the structural failure of the Rent Increases (Domestic Premises) Control Act 1978. The Chamber has already presented evidence, directly to the body the Bill would empower, that is inconsistent with key public premises now advanced for the Bill.
- **Chamber Budget Breakfasts and Economic Forum -** Annual evidence-based engagement with Government's fiscal direction, sponsored by PwC Bermuda. The February 2026 event expanded to a full Budget Breakfast & Economic Forum attended by the Premier and the Minister of Economy and Labour.
- **Throne Speech and Budget response programme -** Formal Chamber public responses to Throne Speeches (November 2024, March 2025) and Budgets (May 2024, May 2025) -constructive engagement with the Government's stated priorities, not opposition in principle.
- **Member consultations and Government engagement -**Ongoing structured collection of business-side evidence on regulatory, tax and operational impacts from Chamber members (the submissions handled on an anonymised basis in this response), and written submissions and direct engagement on legislative proposals across Ministry of Home Affairs, Ministry of Finance, Cost of Living Commission and Bermuda Monetary Authority consultations. Voluntary participation in the November 2025 Affordable Bermuda Agenda by named Chamber-member operators.

The Commission's own constructive work deserves the same honesty. In a February 2026 interview, the Chair of the Cost-of-Living Commission described work the Chamber genuinely welcomes: the Grow Eat Save community-growing programme and its Devonshire pilot; the affordability basket negotiated with grocers (costofliving.gov.bm); and the November voluntary partnership in which importers and grocers each contributed 10% - a combined 20% reduction on essential goods achieved by agreement, with no compulsion and no machinery. The Chair also said plainly that "the framework needs to be updated." Every initiative she described depends on industry working collaboratively with the Commission -and nowhere in the interview is there any suggestion that grocers or wholesalers have declined to do so. The cooperation the Bill's compulsion presupposes is missing is, on the Chair's own account, already happening - and delivering.[31]

One constructive challenge attaches to it: measurement. The public record does not yet include published results for these initiatives - plots in use, households enrolled, savings realised against the affordability basket, or the shelf-price effect of the November reduction. The Chamber's consistent position is that programmes which work deserve the evidence that

31 The Daily Hour, 27 February 2026 (audio transcript): interview with the Chair of the Cost of Living Commission. Programme details, the Devonshire pilot, the affordability basket at costofliving.gov.bm, the November 20% voluntary reduction (10% importers, 10% grocers), and the quotation "the framework needs to be updated" are all from that interview.

P.O. Box HM 655, Hamilton HM CX, Bermuda
T (441) 295-4201 | E info@bcc.bm
www.bermudachamber.bm

proves it: publishing simple uptake and savings figures would let the public see the progress the Chair describes, would protect these initiatives from the scepticism that unmeasured programmes attract, and would give the Legislature a factual baseline for judging whether coercive additions to this framework are necessary at all. The Chamber offers its survey and analytical capacity to help build that reporting.

What the Chamber would put forward

In headline form, six measures would deliver more of what the Bill claims to want, faster, at lower administrative cost, without a compliance regime and without a re-armed price-control power:

- **Credible independent verification of pass-through -**conducted on a published methodology and reported in summary form to the public, so that duty relief can be shown to have reached the shelf without a compulsory apparatus that will produce data the public never sees.
- **Freight-cost offset for essential imports -** targeted at the essential-commodities list, funded from a transparent share of existing sin-tax receipts. Reduces landed cost universally, without picking winners at the shelf.
- **Reduce the 75% sugar duty -** sugar is an input to most of the everyday basket. The 75% ad valorem duty on the commodity is a heavier cost lever than the 0-5% relief on downstream essentials.
- **Build the public-facing aggregator the March 2026 Bill was passed to enable -**using existing private-sector price feeds (pronto.bm, dropit.bm, shop.miles.bm, marketplace.bm) - designed with the trade in view: basket-level comparison rather than a per-item live feed, published on a short lag. Feasibility work to date indicates this is a matter of weeks, at negligible cost, without compulsion.
- **Post-hoc inquiries in place of prior approval -** where a pricing decision warrants further explanation, the Commission can ask. Targets the small number of cases that need it, not the whole catalogue.
- **A Bermuda grocery code of conduct, not price control -** a negotiated business-to-business code for the grocery supply chain, modelled directly on the instruments the Minister has cited - the UK's Groceries Supply Code of Practice with its independent Adjudicator, New Zealand's Grocery Industry Competition Act code, and Australia's Food and Grocery Code - covering supplier terms, payment practices and dispute resolution, administered independently, and developed with the trade rather than imposed on it. This is what following the cited comparators actually looks like, and the Chamber would participate in drafting it (*the Chamber is separately reviewing the recently announced Competition Act consultation paper*).

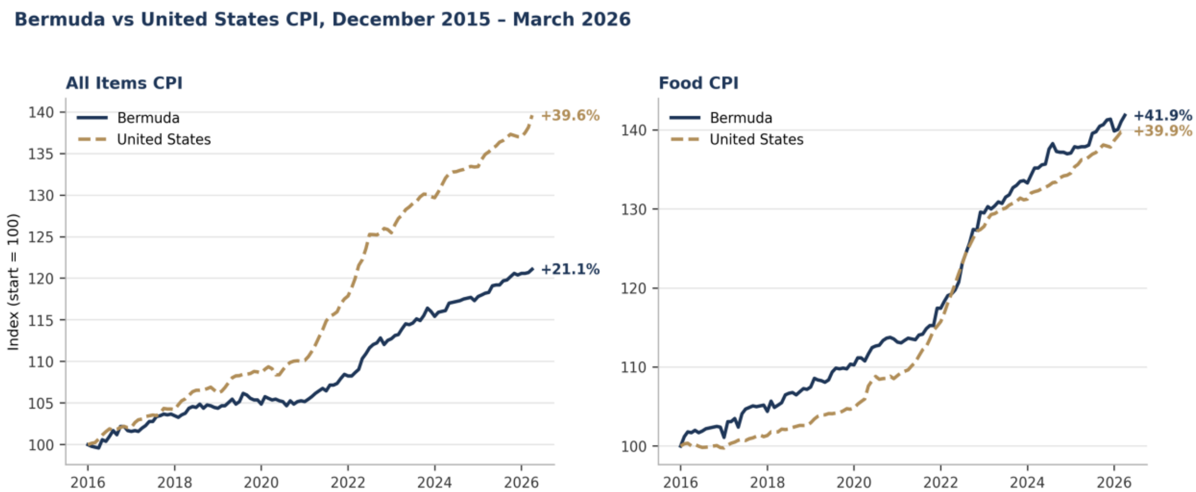
On funding: these alternatives can be delivered fiscally neutrally, from three sources - recycled sin-tax receipts, the administrative envelope the Bill's own compliance regime would otherwise consume, and rebate-rather-than-exemption mechanics with capped envelopes.

P.O. Box HM 655, Hamilton HM CX, Bermuda
T (441) 295-4201 | E info@bcc.bm
www.bermudachamber.bm

Appendix A: Bermuda vs. US, All Items and Food

Bermuda tracks the US closely on food inflation and runs consistently below the US on overall inflation -the opposite of what a Bermuda-specific grocery problem would predict.

A note on the measure: *the CPI is the Government's own chosen measure - the ground on which the public case for this Bill has been argued - and the comparisons below therefore meet that case on its own terms. The Chamber has previously stated - in its response to the 2026/27 Budget, and in its December 2025 presentation to the Commission - that the CPI does not reflect the real cost-of-living impacts households experience; the rental series at the end of this appendix is the demonstration. If anything, that strengthens the point made here: even on the Government's preferred measure, the data do not show a Bermuda-specific grocery failure.*



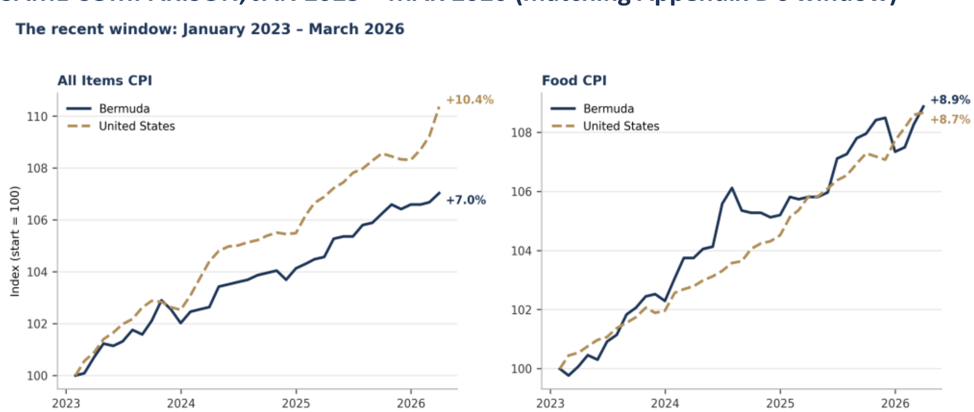
Indexed to Dec 2015 = 100, through Mar 2026. Bermuda: Bermuda Department of Statistics, Consumer Price Index (Jan-Mar 2026 chained from the official February and March 2026 CPI releases, April 2015 = 100). United States: US Bureau of Labor Statistics, CPI-U All Items (CPIAUCNS) and CPI-U Food (CPIUFDNS), not seasonally adjusted (Jan-Mar 2026 chained from published BLS index values).

CHANGE, DECEMBER 2015 – MARCH 2026

- **Bermuda** All Items: **+21.1%** vs United States All Items +39.6% - Bermuda's headline inflation has run well below the US.
- **Bermuda** Food: **+41.9%** vs United States Food +39.9% - but on food specifically, Bermuda has matched the US almost exactly.

Relevance to Fact Check #7: the Government's "lower inflation than peers" framing holds for the all-items basket, but not for groceries — Bermuda food inflation has moved in lockstep with US food inflation over the full decade, consistent with imported input costs rather than pointing to a Bermuda-specific retail problem.

SAME COMPARISON, JAN 2023 – MAR 2026 (matching Appendix B's window)



Indexed to Jan 2023 = 100, through Mar 2026 — same underlying Bermuda and US series as the chart above, rebased to line up with Appendix B's survey window. Sources as above.

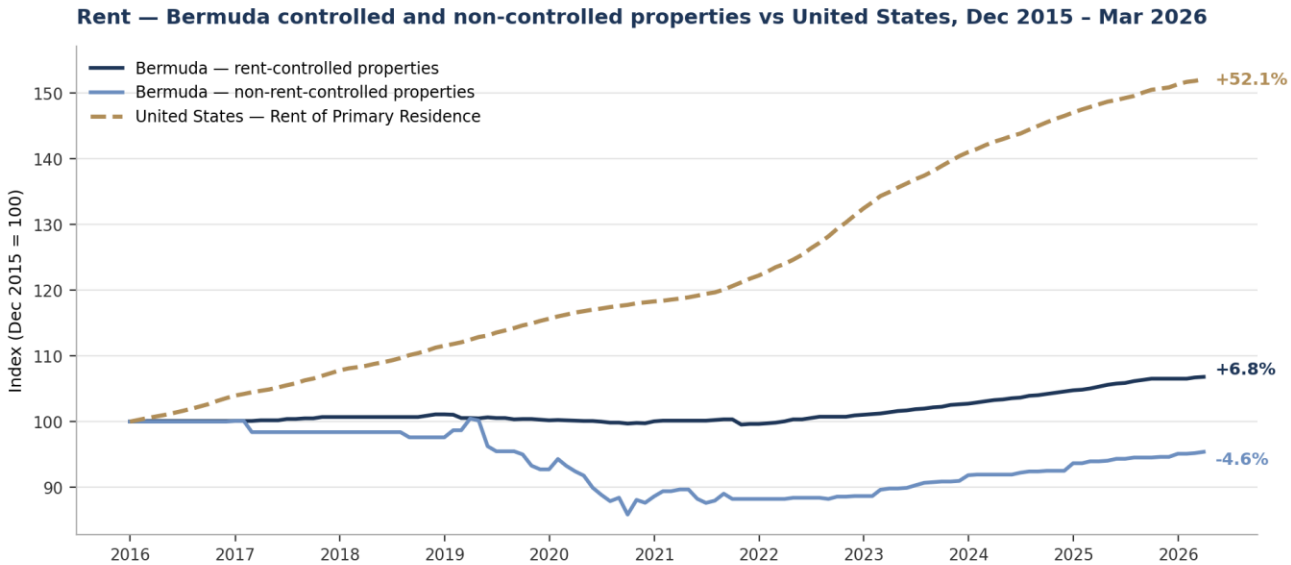
P.O. Box HM 655, Hamilton HM CX, Bermuda
T (441) 295-4201 | E info@bcc.bm
www.bermudachamber.bm

CHANGE, JANUARY 2023 – MARCH 2026

- Bermuda All Items: **+7.0%** vs United States All Items +10.4% - over this shorter, more recent window Bermuda's headline inflation has run well below the US (the March 2026 US figure carries an exceptional one-month gasoline spike of over 20%).
- Bermuda Food: **+8.9%** vs United States Food +8.7% - on food specifically, Bermuda has run essentially level with the US over this window.

Over Appendix B's own survey window, Bermuda runs well below the US on headline inflation and essentially level on food — reinforcing the Fact Check #7 point.

RENT: WHERE THE CPI PARTS COMPANY WITH LIVED COST



Indexed to Dec 2015 = 100, through Mar 2026. Bermuda: Department of Statistics CPI, Rent division sub-indices — rent-controlled and non-rent-controlled properties. United States: BLS CPI-U Rent of Primary Residence (CUUR0000SEHA, not seasonally adjusted). The overall Bermuda Rent division, combining these sub-indices with repairs and maintenance, rose 7.4% over the same period.

- The comparison: **US +52.1% vs Bermuda +6.8% (controlled) and −4.6% (non-controlled)** -the index records open-market Bermuda rents as lower today than in 2015, across a decade in which the equivalent US series rose by half.
- Weight in the index: **267 of 1,000** - Rent carries the heaviest single weight in Bermuda's CPI, so this one series does more than any other to set the headline number.

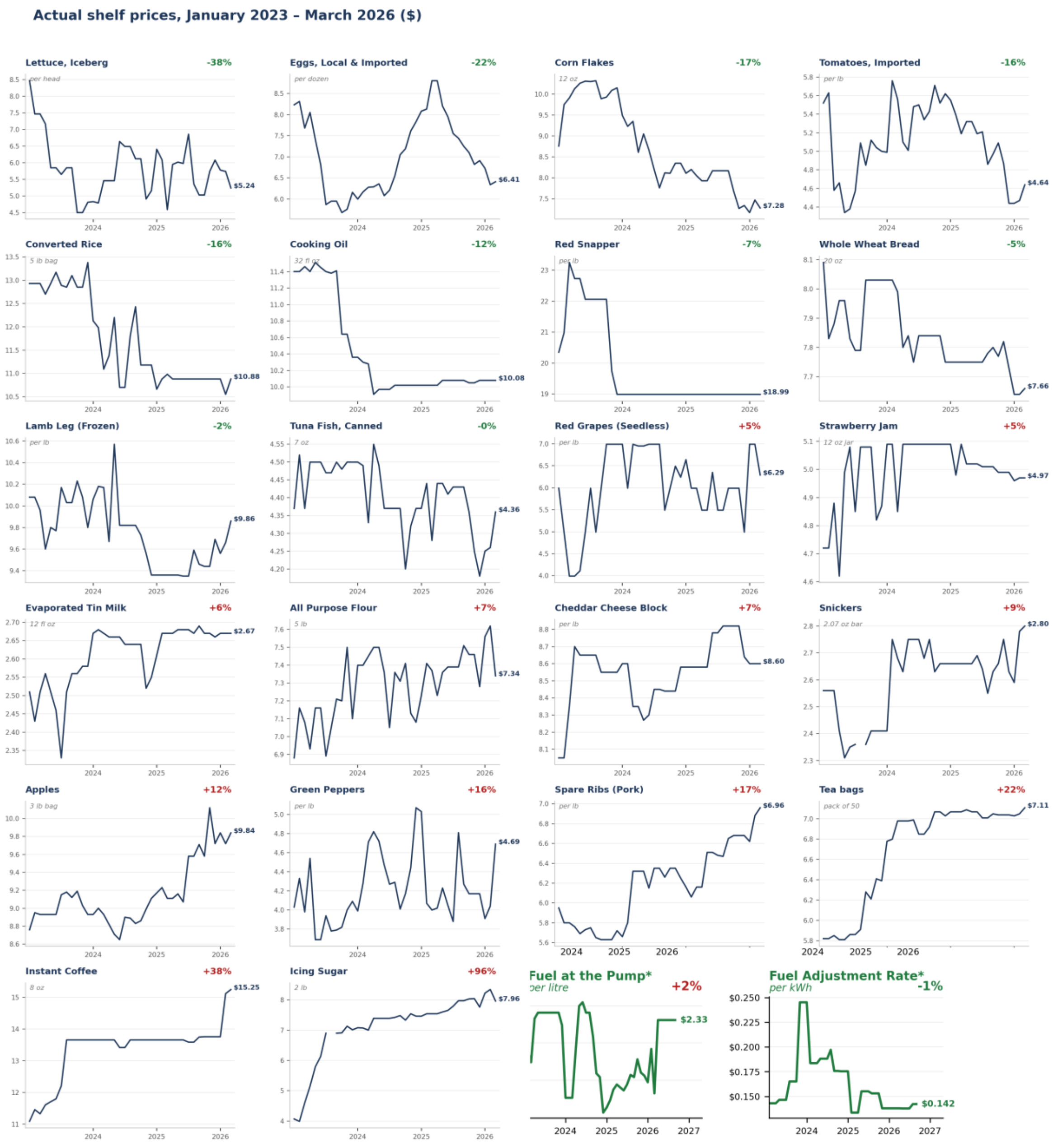
This is the demonstration behind the Chamber's statement, in its response to the 2026/27 Budget, that the CPI does not reflect the real cost-of-living impacts households experience: a rental series whose open-market component records rents as falling over a decade, carrying the heaviest weight in the basket, suppresses the headline all-items figure and is the principal reason Bermuda's overall CPI appears low against peers (Fact Check #7). The grocery comparisons above are unaffected by this: food prices are surveyed directly on the shelf.[32]

32 Bermuda Department of Statistics, CPI Rent division sub-indices (rent-controlled, non-rent-controlled); US BLS, CPI-U Rent of Primary Residence (CUUR0000SEHA, NSA); CPI weights: DoS (Rent 267 of 1,000). Bermuda Chamber of Commerce, response to the 2026/27 Budget.

P.O. Box HM 655, Hamilton HM CX, Bermuda
T (441) 295-4201 | E info@bcc.bm
www.bermudachamber.bm

Appendix B: Actual Shelf Prices - All 22 Surveyed Items, plus Fuel Costs

Behind the index numbers: every grocery item in the Department of Statistics monthly price survey, January 2023 through March 2026, ordered from largest reduction to largest increase — plus two energy series shown in green.



Bermuda Department of Statistics, Consumer Price Index, Average Prices of Selected Items (monthly releases). Percentage shown is the change from January 2023 to March 2026. The two panels in green - retail fuel at the pump and the Regulatory Authority's Fuel Adjustment Rate - are market data rather than CPI survey data (though both feed into the CPI) and are shown through August 2026; their percentage change is measured from January 2023 to August 2026.

Relevance to Fact Check #2: staples with duty relief in the 2023–2024 amendments (rice, cooking oil, corn flakes, bread) show visible step-downs. Eggs reflect the global avian-flu cycle - the 2025 peak and subsequent decline is the movement cited in Fact Check #2. The largest sustained increases (icing sugar +105%, instant coffee +36%, tea +21%) are in categories dominated by global commodity prices and, in sugar's case, the 75% duty that has been in place since 2019.

P.O. Box HM 655, Hamilton HM CX, Bermuda
T (441) 295-4201 | E info@bcc.bm
www.bermudachamber.bm