



**Remarks
by
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The Minister of Public Works**

Post Throne Speech Press Conference

16th November 2022

Good afternoon - members of the news media and the listening audience.

I'm pleased to be here today to outline of some of the initiatives for the Ministry of Public Works, as mentioned in the Throne Speech. As you may be aware, the Ministry is responsible for sustaining Bermuda's critical resources, including roads, water supplies, parks, public lands, four quangos, the municipalities and services such as sewage and waste collection.

The Government recognizes that much of the critical infrastructure on which the public relies requires upgrading or repairs following years of decay and dereliction. And yes, carrying out these vital upgrades will require serious determination, substantial financial investment and commitment on the part of a Government. It's a commitment this Government has undertaken- so that Bermuda can maintain its footing as a modern country.

The Throne Speech mentioned the need to continue to prioritize the improvement of Bermuda's infrastructure. The Government will continue with its plan to provide significant infrastructure improvements, including an objective over the next few years to scrutinize the Island's waste requirements. This initiative for the Tynes' Bay Waste-to-Energy facility will see the Government invest \$22 million dollars over the next few years to shore up the depot's most essential systems. This investment forms part of a larger refurbishment of the facility to extend its useful life by another 25 years.

In keeping with our waste and water needs, the first phase of the Water and Sewage Infrastructure Master Plan, being carried out in St. George's and Southside, St. David's will be completed by March 2023. This phase will establish completely new systems and processes for the treatment of sewage and the production and delivery of water. In addition to new piping – it includes a new reverse osmosis and sewage treatment plants.

You may have heard about the Ministry's recently concluded public consultation on opportunities to improve our water and sewage sectors. The objective of the consultation was to inform the public on the status and goals of the projects and identify perceived risks by the general public on the provision and regulation of water and wastewater services. The consultation period ended on October 28th, 2022, and included workshops with key stakeholders, a post on the Bermuda Citizens Forum, a Facebook Live event, a radio interview, and other outreach channels.

The consultant is currently reviewing and analyzing the comments and feedback received from the general public. The results of the consultation process will be input for the recommendation.

The consultant is working on three reports on Regulatory Authority Structure, Water Quality Standards, and Wastewater Quality Standards. These reports will inform the second round of consultations, expected to begin the first week of December 2022.

If the sector remains unchanged, there is a risk of adverse public health and environmental outcomes, higher costs for Bermudian households and businesses, and impacts on the country's reputation as a premier vacation destination.

Another primary strategy on our legislative agenda will be to carry on with our work to merge Government quangos, where possible, in an overarching effort to bring down the operational costs of the Public Service.

One example is the unification of the Bermuda Land Development Company and the West End Development Corporation. Our efforts show the sensitivity of this Government towards the need to drive down such costs while maintaining a high degree of effectiveness at the same time.

This decision was made following an extensive review of the three housing related quangos – Bermuda Land Development Company, the Bermuda Housing Corporation and the West End Development Corporation. A road map has been designed to set out the tasks that need to be completed to make the transition a smooth one with a target date of December 31st, 2023.

During this legislative session, the public can expect legislation to this extent, ensuring that we can do more with less while providing an excellent quality-price ratio. The challenge of delivering public-sector services at a reasonable cost is faced by governments worldwide and is not unique to Bermuda.

Another initiative on the Government's legislative agenda that I'm proud to highlight today is the safeguarding of access to affordable housing – something fundamental to the Ministry. We are acutely aware of the diminishing stock of affordable housing in this country, along with the implications and reduced opportunities for everyday Bermudians to rent homes that fit their budget.

As I've stated before, concentrated action on this subject is vital considering the high cost of living on this Island – which ranks among the world's top tier in terms of cost of living. The Government doesn't believe it is reasonable nor sustainable to expect families to pay some of the rents currently being sought on the rental market.

The people have rightfully turned to the Government for assistance, and we are delivering. In this regard, the Bermuda Housing Corporation, the BHC, will push on with its renovation of 137 older BHC housing units over the next 3 ½ years.

While 60 of these units are currently occupied, the remaining 77 are not in use and will be brought online as new rental homes once the project is completed. This project will take the total number of rental units under the BHC's remit to 777. This work will bring back on line every unit that the Bermuda Housing Corporation has in its inventory. But this is not the only thing we are doing to increase the number of rental units available.

Additionally, the 77 new units will be subject to the Rent Geared to Income (RGI) programme – where a quarter of the household income forms the rent – plus a mandatory 10% savings – to provide families with the means to graduate to home ownership or the private sector.

I want to take the opportunity to speak directly to landlords who are declining to rent their units for a variety of reasons and bring awareness to one of the BHC's programmes in which the Corporation will manage a landlord's rental properties for them. This programme helps to increase the supply of affordable rental units to the public while serving as a great tool and resource for homeowners looking for the stability of having a long-term tenant without the hassle of rent collection and property supervision. These are responsibilities the BHC undertakes on behalf of the landlord. The key here through is the BHC will not pay market rates - but reasonable rates as we assume the responsibility of rentals.

Therefore, I encourage homeowners to look at this programme which includes the possibility of the BHC refurbishing a rental home at no upfront cost to the homeowner. This arrangement is subject to an agreement that the BHC manages and rents the property to its tenants for a specific period of time until the repair costs have been recouped.

The key message from the Ministry of Public Works legislative agenda is that the Ministry is listening and is taking action to meet the critical needs of our population. We are committed to delivering on our responsibilities.

Thank you.