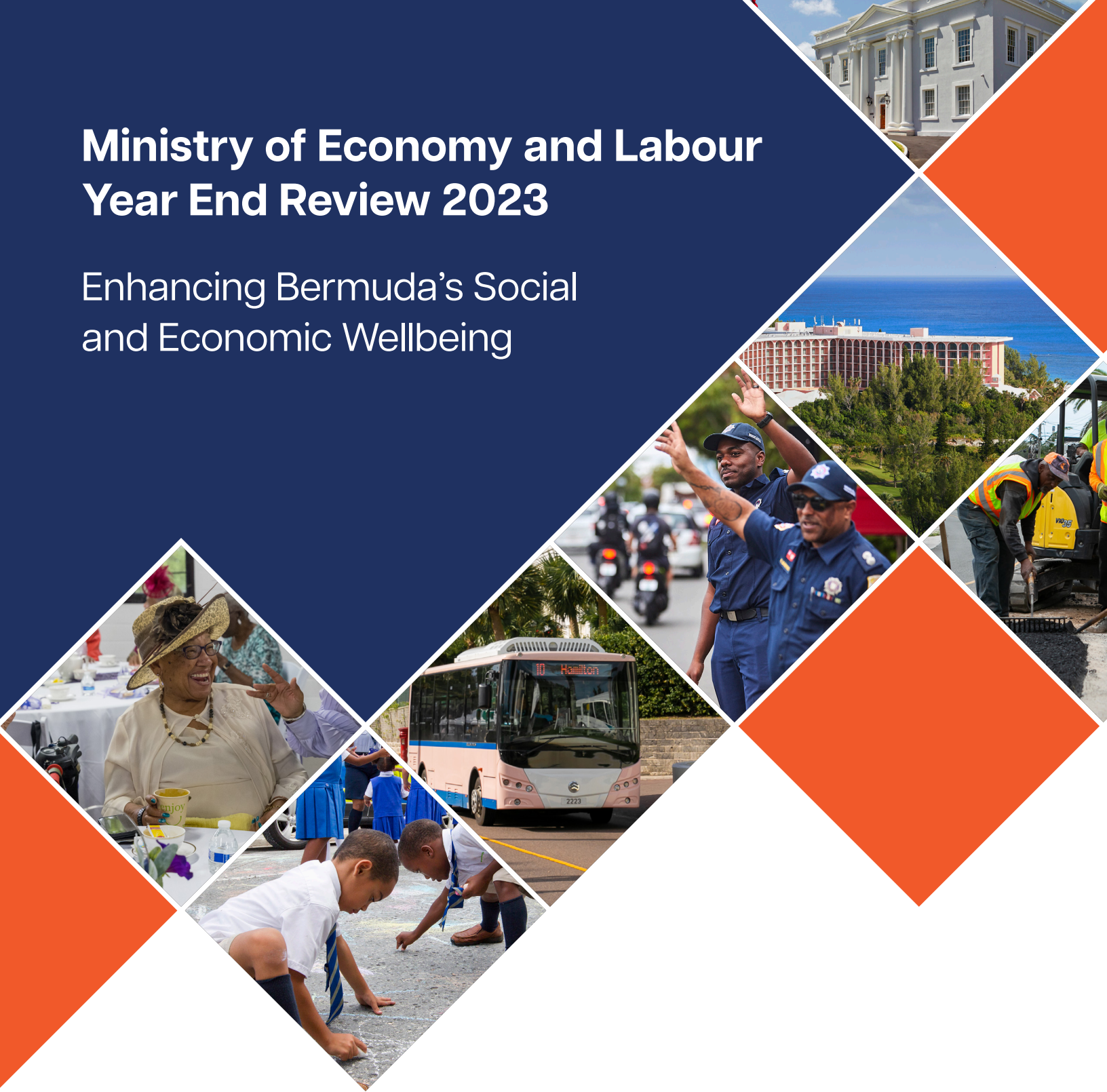


Ministry of Economy and Labour Year End Review 2023

Enhancing Bermuda's Social
and Economic Wellbeing



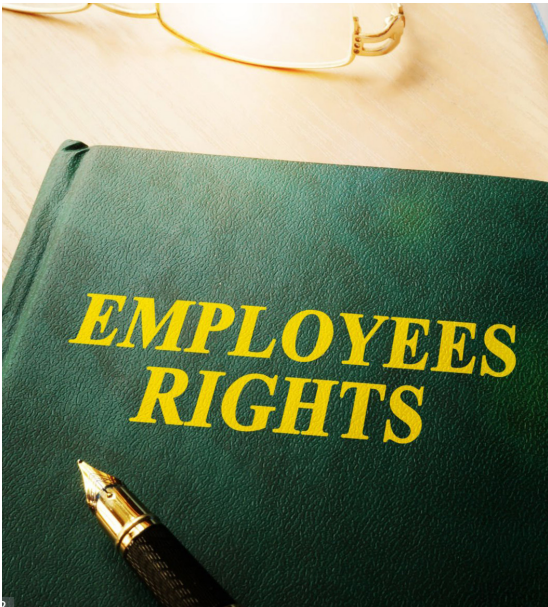
GOVERNMENT OF BERMUDA
Ministry of Economy and Labour



The Ministry of Economy and Labour strives to ensure Bermuda continues to be a premier business jurisdiction by facilitating the expansion and growth of the local economy while enhancing social protections and ensuring workers' rights are protected.

In January 2023, the Ministry released its Year End Review 2022: Building a Better Economy for All, highlighting the accomplishments of the Ministry. In 2022, legislative and policy initiatives were strategically designed and updated to address the needs of our rapidly evolving society. The 2023 Year End Review highlights the varied activities and initiatives undertaken in 2023 to maintain Bermuda's social and economic fabric.

Throughout 2023, departments within the Ministry of Economy and Labour continued to ensure that we:



- Strengthen social protections for those in need;
- Advanced Bermuda's economic growth and development initiatives in support of building a sustainable economy;
- Provided support to jobseekers, positioning them to take advantage of opportunities in the workplace; and
- Preserved jobs and implemented laws that support progress in the workplace.

I. STRENGTHEN SOCIAL PROTECTIONS FOR THOSE IN NEED

Through human-centred policy development, the Ministry has continued to ensure Bermuda's people have access to opportunities, progress, and a better quality of life.

The Ministry of Economy and Labour's initiatives are transformative as they aim to empower Bermudians while fostering a robust, first-class business environment and providing the necessary safety nets to assist persons with realising and maintaining a decent lifestyle.

In 2023, the Ministry of Economy and Labour's commitment to ensure persons working in Bermuda receive a decent wage for a full day's work and that employers' policies clearly explain the distribution of gratuities and service charges was critical to enacting the following piece of legislation:

The National Statutory Minimum Wage - Bermuda's first minimum wage rate, came into effect on June 1st, 2023, with the hourly wage rate set at \$16.40. Accompanying this vital piece of legislation was the **Statutory Minimum Wage Guidance**, which outlines the eligibility criteria for a minimum hourly wage and sets out the enforcement provisions regarding the payment of a minimum hourly wage rate.

The Ministry also **amended the law to establish a framework to ensure the equitable distribution of tips, gratuities, and service charges (“tips and other gratuities”) to employees in the workplaces and industry sectors where it applies.** With this law, employers cannot withhold tips or other gratuities from an employee, make a deduction from an employee's tips or additional gratuities or cause an employee to return or give his tips or other gratuities to the employer unless so required. The amendments:

- Define tips and other gratuities;



- Provide for the equitable distribution of tips and other gratuities to employees where it applies;
- Protect against the withholding of tips and other gratuities by employers from employees; and
- Provide the necessary safeguards to ensure employees receive tips and other gratuities where provided.

Before being moved to the Ministry of Social Development in November 2023, reform to the Financial Assistance Programme saw it change from being unable to receive monetary gifts to allowing recipients to possess up to \$5000 in cash yet remain eligible for FA. This policy change enables us to better assist families in responding to immediate unforeseen circumstances. And, while wire payments are made directly to vendors (landlords, electricity, medications, etc.), cash is paid to clients for laundry, transportation, etc.

Additional reform initiatives and amendments to the financial assistance legislation include the following:

- **Subsequent Financial Assistance Awards** for recipients classified as Able-bodied Unemployed who have reached their seven (7) year term will continue receiving financial assistance. However, it will only be limited to food allowance, health insurance, and room allowance awards.
- **Passed legislation easing the Eligibility Requirements for Financial Assistance, allowing** financial assistance recipients to receive ‘gifts’ such as those obtained through online funding campaigns. This legislation will enable recipients to raise monies to assist with expenses at the discretion of the Director.

- The Department of Financial Assistance will:
 - be able to **retrieve overpaid funds from ‘third parties’**;
 - have the authority to **investigate cases and require the third party to repay sums**; and
 - provide for **third parties to appeal to the Financial Assistance Review Board**.

- As pledged in the 2022/23 Speech from the Throne, the Government **increased Child Daycare Allowance**, introducing a new three-tiered award system with eligibility requirements based on a higher gross annual household income as follows:

Gross Annual Household Income	Monthly Child Daycare Allowance
Less than \$65,000	\$900
\$65,001 to \$97,000	\$700
\$97,001 to \$130,000	\$500

- **Increasing Financial Assistance Award Amounts** for financial assistance recipients, as outlined in the Schedule Table of Allowable Expenses and setting out the award parameters to ensure the information is clear.



II. PRESERVED JOBS AND IMPLEMENTED LAWS THAT SUPPORT PROGRESS IN THE WORKPLACE.

In 2023, the Ministry of Economy and Labour delivered on the following policy and legislative changes:

Established the Department of Labour to enforce the Labour Code and minimum wage legislation. The newly created Department of Labour provides a one-stop shop for all employment and labour-related services and establishes a system of proactive workplace inspections. The Department of Labour is responsible for:

- promotion of labour standards and fundamental rights at work;
- promoting harmonious labour relations;
- compliance, monitoring and enforcement of labour laws; and
- advancing labour policy.

The Department of Labour provides employers and employees with general guidance on Bermuda's employment and labour legislation. The Department published:

- **The Employment Act 2000 Guidance document - informs employees of their rights under the Employment Act 2000.** It provides a comprehensive overview of the Employment Act 2000, and problem areas such as layoff, vacation leave entitlement, and severance pay are clearly outlined. The document provides in-depth context that conveys beneficial information to readers, improving their understanding of the legislation.
- **The Independent Contractor Guidance document - establishes the basic framework of an employee-employer relationship and how this differs from an independent contractor work arrangement.** This Guidance will assist employers by ensuring the decision-making process is consistent with the relevant legislation before hiring an individual as an independent contractor.

To ensure the continued security of Bermuda, the Ministry of Economy and Labour **instituted the Bermuda Immigration and Protection (Prohibition of Entry) (No. 2) Order 2023**. This Order applies to a person who is a national of any one of 115 countries (included in the Order) and requires that such persons possess a document permitting them to enter and re-enter Canada, the United States or the United Kingdom. This document must be valid for forty-five (45) days from the intended departure date from Bermuda. Alternatively, the person can produce a current letter issued by the Government of Bermuda attesting that they are a spouse of a Bermudian and/or belong to Bermuda according to section 11 (5) of the Bermuda Constitution 1968.



III. PROVIDED SUPPORT TO JOBSEEKERS, POSITIONING THEM TO TAKE ADVANTAGE OF OPPORTUNITIES IN THE WORKPLACE



The Ministry of Economy and Labour’s Department of Workforce Development’s (DWD) mission is to develop a resilient workforce to provide a sustainable and stable community by overseeing career development and training in Bermuda. To that end, the Department of Workforce Development in collaboration with the Department of Financial Assistance developed Personal Employment Plans (**PEPs**) initiative to help transform Bermuda’s workforce by providing employment-related services to financial assistance recipients. Individualised PEPs will set out employment goals and the steps required to reach those goals to move abled-bodied and abled-disabled recipients into employment opportunities as soon as practicable. The Plan also specifies the services and the support recipients can expect to receive while aiming to achieve more sustained employment.

Additionally, the Ministry of Economy and Labour continues to progress the initiatives included in **the National Re-employment Strategy and the Youth Employment Strategy**, which work to strengthen the labour force after the economic shocks caused by the COVID-19 pandemic. Initiatives under the National Re-employment Strategy include:

- I. The Fairmont Southampton Construction Fair**, held on June 1st and 2nd, 2023, was supported with marketing and promotions by the Department of Workforce Development.

II. The National Center for Construction Education and Research (NCCER)

basic safety training to enable interested persons to become certified before a project begins.

III. The Technical Cleaning

course saw 13 participants gain nationally certified cleaning certificates from the Academy of Cleaning Excellence. As of May 11th, 2023, the Government's partnership with local cleaning companies has resulted in nine (9) participants securing employment opportunities.

IV. The Professional Administrative Certification of Excellence (PACE)

programme enabled participants to receive certification upon completing the 12-week course, which started May 1st, 2023. Thirty-five Bermudians completed the programme, of which 20 successfully passed the final exam and obtained their certifications.

V. The Renewable Solar Energy Programme

saw five participants complete the programme. It provided direct support for the growth and development of knowledge, application and career pathways for youth interested in becoming certified solar installers. And, by extension, increased the capacity for installations of the renewable energy industry in the local workforce. In affiliation and partnership with the North American Board of Certified Energy Practitioners [NABCEP], globally recognised in the renewable energy industry, participants had to pass the Introduction To Renewable Energy course before participating in the programme as trainees. The four-week training programme included various installation worksites at businesses and homeowners' properties, allowing the trainees practical knowledge, understanding, hands-on training application, and experience in the real world of work.

VI. The Construction Asphalt Training Programme

saw seven participants complete the training offered through a collaborative effort with Joell's Asphalt Service & Maintenance Ltd. and Urban Construction. This comprehensive training initiative has equipped seven young Bermudian men with industry-

standard National Center for Construction Education and Research [NCCER] credentials. It marks a significant milestone in Bermuda's commitment to fostering a skilled and capable workforce. The training programme, centred on theoretical knowledge, practical skills, and on-site experience, has been developed in close collaboration with internal and external stakeholders within the construction, vocation, and trades industries.

To support Bermuda's youth, the Ministry of Economy and Labour's Department of Workforce continues to implement the Youth Employment Strategy,

facilitating more significant opportunities and educational pathways for all young Bermudians between 18 and 26 years. The Strategy offers support to all young people, including youth with mental health challenges and physical disabilities in education, underemployment, and unemployment. The Strategy also assists and supports youth through the following programmes:

- **Summer Work Programmes** provide high school, college and university students with work opportunities within the public and private sectors during their summer breaks. This year's Summer Programme began on May 15th, 2023, with 180 students participating in the Summer Internship Programme for High School Students and the Summer Employment Programme for college and university students.
- **Hotel Concession Act Management Training Programmes** implemented at Hamilton Princess, St. Regis Bermuda Resort, and the St. George's Club Hotel provide training and development opportunities.
- **Apprenticeship** opportunities, provided through the Government, support individuals interested in starting careers in high-demand fields.
- **Bacardi Shake Your Future Programme** results from the Government's partnership with Bacardi International. Six people passed their European Bar School exams and completed the ten-week programme.

- **The Graduate Training Programme** helps ensure young Bermudians between the ages of 20 – 26 are suitably qualified and positioned to take advantage of the job opportunities within the local labour market. The fourth cohort began this programme in November 2023, which includes a 10-week paid internship opportunity for ten (10) recent college and university graduates.

To ensure better alignment and functionality of the Department of Workforce Development boards, the Ministry of Economy and Labour:

- **Amended the functions of the National Training Board by establishing a newly named National Certification and Apprenticeship Board (NCAB)** with a strategic focus on skilled trades, certifications, and apprenticeships. This Board will focus solely on national certification administration, development in skills trade and increased promotion and advocacy for apprenticeship schemes. This will enable the establishment and delivery of apprenticeship education programs, the issuance of national certification credentials and the governance of skilled trades in Bermuda.
- **Created the Workforce Development Advisory Board (WDAB) to ensure better alignment and synergies across multiple industry sectors and to bridge the gap between local employers and job seekers.** This Board will carry out the critical leadership function of the Bermuda Workforce Development Plan. Consisting of a broad stakeholder base, this Board will ensure better alignment and synergies across the system, enabling the Government to understand national training demands and make subsequent recommendations for eliminating redundant or unnecessary workforce development programmes, resulting in cost savings. It will also assist in developing a prioritised list of training programmes. The Board will advise the Minister, enabling them to understand better the industry circumstances, demands and national training needed to improve and strengthen the skills of Bermuda's workforce.

IV. ADVANCED BERMUDA'S ECONOMIC GROWTH AND DEVELOPMENT INITIATIVES IN SUPPORT OF BUILDING A SUSTAINABLE ECONOMY



The Ministry of Economy and Labour, through its Economic Development Department (EDD), developed the Economic Development Strategy 2023 - 2027, which encompasses a framework that sets out strategic priorities and initiatives to provide direction and drive Bermuda's economic development. Its goal is to build a diversified and sustainable economy that will enhance the quality of life for Bermuda's residents.

The Strategy also provides a framework of collaboration between Bermuda's economic development organisations and the business community as they work together to attract and retain business in Bermuda, boost foreign investment, increase employment opportunities, and strengthen the local economy. It aims to transcend increasing the GDP into focusing on maintaining high employment rates and improving the range of well-remunerated jobs.

The Strategy sets out five (5) Strategic Priorities encompassing strategic initiatives that contain actionable items to improve and expand the economy and increase the working population. Upon execution, these strategic initiatives will further strengthen Bermuda's economy, supporting robust and sustainable growth into the future.

The following five strategic priorities will form the bedrock of Bermuda's economic development efforts:

1. Local and International Business Retention and Expansion
2. Business Attraction and Investment Promotion
3. Entrepreneurship and Small Business Development
4. Execution of the Economic Recovery Plan
5. People

In the 2023 calendar year, the Government's Economic Development Department's **Corporate Concierge** assisted 125 individuals from 31 companies with various services, aiming to facilitate their entry into the marketplace as registered companies and employers.

FinTech and Fintech Education & Training yearly training programme aim to make technology education and training relatable and available to the community to nurture the local talent pool and encourage persons to join the technology and the FinTech workforces, respectively.

In July 2023, the Ministry released the 2022 Labour Force Survey Report, which showed a significant positive shift in Bermuda's labour market, demonstrating it continues to recover from the economic downturn caused by the pandemic. Although we still have a way to go, our economy is heading in the right direction, and the Government is confident that this progress can and will continue. To that end, we remain steadfast in ensuring our most vulnerable are provided with the necessary safety nets to assist them in sustaining themselves and that workers' rights are protected.

As we emerge into what we expect will be a new and vibrant workforce, this Government will continue to find ways to support those individuals in need while ensuring our environment is one where business can thrive.