



Contribution

by

**SENATOR THE HONOURABLE
DION A. FOULKES
Minister of Labour**

2020-2021 Budget Communication

The Senate

June 25, 2020

Madam President, Senate Colleagues:

These are unprecedented times that require well considered and calculated measures. For out of the ashes of the global COVID-19 pandemic and consequent economic fallout, there emerges a **NEW dawn...a NEW hope...and NEW opportunities** for the marginalized, the disadvantaged, and the unemployed in our communities.

Madam President, I would dare say that this 2020-2021 Budget represents **NEW hope and opportunities** aimed at easing the financial burdens and woes of thousands of Bahamians who have been severely impacted by this global health and financial crisis.

Madam President

Over the past few months my Ministry has seriously committed itself to providing our valuable customers, the Bahamian people, with the highest level of personalized services.

I wish to assure you that we will continue to devise ways to streamline our processes in an effort to increase efficiency, productivity, and overall customer satisfaction.

As a part of our mandate to provide quality services, we will continue to train our staff to ensure that they keep up with new and emerging technology. Technologies that will make their job functions easier, and more sensitive to the needs of our customers, particularly as we grapple with the challenges of COVID-19 and the need for social distancing.

Madam President

The Ministry of Labour was not exempted from having its budget slashed like other Government Ministries, Departments and Agencies. If you note from the 2020-2021 budget estimates, our budgeted allocations have been reduced from \$8.5 million to

\$6.8 million or a decrease of 20%. A large percentage of the cuts in the allocations have been at the Ministry (Intl Travel, Supplies and Stationery, Honorarium), the Department of Labour, The Bureau of Standards and Quality and the National Training Agency.

Despite this, however, we are determined to run a lean, mean, technology and customer driven machine that WILL meet our stakeholders and customers needs. We intend to do this with what we have been allocated and through enhanced revenue generating activities in these agencies. And we will do it well.

Madam President

I have full confidence that our senior management team, led by our Permanent Secretary (Acting) Mr. Reginald Saunders, and our dedicated staff at the Ministry of Labour can achieve these goals. We can only succeed if we have all hands on deck.

Madam President

As you are aware the Ministry of Labour is comprised of a dynamic group of governmental agencies and councils including:

- The Department of Labour
- The Bahamas Bureau of Standards and Quality
- The Consumer Protection Commission
- The Prices Commission
- The Consumer Affairs Division,
- The National Training Agency, and
- The National Tripartite Council.

I wish to take a few minutes to highlight some of the accomplishments of these entities and how we will have to change the way we do business and provide services in a post COVID-19 environment.

I will also take a few minutes to up-date you on the work of the National Tripartite Council and I will end my presentation by providing a way forward for the Bahamas in terms of how employers and employees can position themselves for the changes that are inevitable.

DEPARTMENT OF LABOUR

Madam President

I am happy to report that in this budget period, the Department of Labour has been enlarging and increasing its focus on providing increased quality services and more sustainable work for all Citizens and Residents of the country while at the same time fostering good Industrial Relations between Employees and Employers. Promoting a high level of employment, an efficient and productive work force, a focus on human rights initiatives, and a Decent Work Agenda in accordance with International Standards, are all key ideals in developing a harmonious and engaging labour environment.

Madam President

The Department of Labour's Industrial Relations Unit is charged with the Settlement of all Trade Disputes. Over the past twelve months, the Unit has enjoyed an 88% success rate in resolving trade disputes that are filed with the Unit.

Additionally, Public Officers assigned to this unit also deal with persons, who do not have appointments and walk-ins, seeking advice and dispute resolution. Of those, Madam President, 90% have been resolved without having individuals seeking the need to file a trade dispute. This high rate speaks to the depth and experience of the officers assigned to the Unit and highlights the tremendous efforts of the staff of this Department. This, Madam President, significantly contributes to a smooth and stable Industrial Relations environment in the country.

Madam President

I am pleased to inform you that the Department of Labour has supervised the elections of some 17 trade unions between January 2019 and January 2020. This is in keeping with our commitment to ensure industrial harmony in the work environment as well as to ensure that the rights of workers are protected in our country.

Madam President

The Pandemic has proven, particularly at the Department, that there are many services that can be provided electronically or through technology which, in most cases has proven rather effective and, in some cases, even more efficient than previously imagined.

In tandem with the Emergency Orders, staff members, where possible, have been allowed to work from home provided they would have had the tools and equipment with the necessary protocols in place to perform the task and ensure desired performance outcomes.

<u>THE BAHAMAS BUREAU OF STANDARDS & QUALITY</u>

Madam President

The Bahamas Bureau of Standards and Quality (BBSQ) is mandated by virtue of The Standards Act (2006) to promote effective and efficient standardization of all goods and services (manufactured or imported) in The Bahamas. Our goals include

supporting sustainable development, protecting the health, safety and welfare of consumers and the environment, facilitating domestic and international trade, and furthering the development of international cooperation. BBSQ is also mandated by its Weights and Measures Act (2006) to regulate all measurement activities that have a bearing on trade within the Commonwealth of The Bahamas.

Madam President

A number of goals have been achieved over the past year that are clearly in alignment with the Bureau's three year Strategic Agenda for 2019-2021. I am happy to report that the Bureau is on target with achieving its key target indicators and objectives, and has yielded a number of praiseworthy achievements thus far.

During my Mid-Year Budget Contribution, I informed you about the Private-Public partnership between my Ministry /BBSQ and EAA Company Ltd in Japan. This Pre-Export Verification of Conformity (PVoC) programme for ALL used

vehicles being imported from Japan, Singapore, United Kingdom and the United Emirates has been extremely successful up until the closing of our borders due to Covid-19. However, we anticipate the resumption of operations by the September 2020.

Madam President

To date, this PVoC programme has proven to play a significant role in the detection and prevention of sub-standard used vehicles being imported into our country. It has also proven to be a significant source of income for the Bureau of Standards and Quality.

Since the implementation of the programme on 1st of March 2018, the PVoC programme detected a 12-15% failure rate at the first pre-shipment inspection point. Vehicles fail inspection for the following reasons:

- insufficient tire tread,
- cracked windscreen,
- lights not working,

- insufficient braking force,
- adverse exhaust emissions and other defects

We are very pleased that these vehicles are not on our Bahamian roads.

Madam President

To date, a total of 13,751 vehicles have been pre-inspected, with 382 vehicles rejected for import. The programme has generated a total of US\$308,560 in Administration fees to the Bureau.

Madam President, this inspection programme has generated more for the BBSQ than its annual budget allocation in 2019/2020. With its allocation being reduced in the 2020/2021 period from \$300,000 to \$200,000 (33.3%), we feel that when fully functional again, the revenues generated from vehicle inspection will more than cover the growth and development needs of the Bureau.

Madam President,

BBSQ continues to provide increased public awareness and education campaigns aimed at enlightening the public on the Bureau, its role, and its work. Colleagues would have seen the recent infomercials on ZNS explaining the work and functions of the BBSQ.

Madam President

METROLOGY is the study of weights and measures.

As part of its mandate, BBSQ has been developing its capacity in Metrology to ensure the accuracy of measurements. The work of the Metrology Department is vital to trade development, quality control, consumer protection, and national health and safety.

To support this effort, The BBSQ, in 2019, procured a forty (40) foot laboratory container, through the IDB Trade Component III programme. This is assisting in verification of commercial weighing scales at grocery stores, propane tanks, and fuel

dispensers at gas stations. We are now seeking to expand our scope and move forward into industrial metrology services. This will provide calibrations to our industry partners in mass and volume.

Madam President

The BBSQ will expand its metrology services into the health care sector, particular in the face of the COVID pandemic. We will begin with medical devices such as blood pressure machines so as to ensure the accuracy in their measurements.

THE CONSUMER PROTECTION COMMISSION

Madam President,

The CPC continues to make good strides in establishing itself as the premier consumer protection agency and its work is continuing to have a positive impact on the lives of consumers throughout the Commonwealth of The Bahamas.

The CPC has seen an exponential increase in the number of complaints brought to its attention since the official launch of its website in January 2016. Through CPC's presence on its website, Facebook, and Instagram, there has been an increase in walk-in queries at the office. It has also seen an increase number of complaints through its dedicated email address.

Madam President

During the year, the CPC was able to achieve the following:

1. Secured membership in the Bahamas Chamber of Commerce and Employers Confederation (BCCEC) where it intends to engage the Chamber in matters of mutual concern.
2. The CPC is establishing ties with other government and non-governmental agencies (NGOs) that may also have a consumer protection function. In this regard, the CPC has engaged in discussions with Bahamas Power and Light (BPL), Utilities Regulation and Competition Authority (URCA), and the Data Protection Commission. Similar

meetings are being planned with other entities in the upcoming months.

3. In January of this year, CPC hosted the first in a series of consumer education symposia at the Franklyn Wilson Graduate Centre of the University of The Bahamas. The initiative was well received by the public. Panelists included chairs of the CPC, the Prices Commission, and The Bahamas Bureau of Standards and Quality (BBSQ), all of which fall under the Ministry of Labour. Additionally, representatives from URCA and BPL were in attendance.

4. CPC's after school programme, "Consumer Net", aims to assist primary and high school students on their rights as consumers. The programme also involves visits to various schools and speaking to students at the career's day and school assemblies.

Madam President

After Hurricane Dorian, the CPC worked closely with the National Emergency Management Agency (NEMA) in fielding consumer complaints.

Post Covid-19, it is anticipated that the CPC will resume its comprehensive public relations and education campaign. It is important that consumers know that they have a voice through the CPC which can help them resolve any issue they may have with merchants and/or service providers. The Bahamian consumer must also know their rights and also know that the services of the CPC are free and easily accessible

THE PRICES COMMISSION / CONSUMER AFFAIRS UNIT

Madam President

During the COVID-19 crises, the Prices Commission witnessed a drastic increase in the cost household items such as Lysol, Alcohol Hand sanitizers, and other disinfectants

and cleaners. Price Inspectors did their investigations which revealed that the prices of those particular items were largely driven by increases by the U.S. suppliers.

Also during this Covid19, breaches were reported and investigated for gasoline, particularly in the Family islands, and there was a significant increase in the price of eggs. With respect to eggs, our Price Control Investigator were able to advise that U.S. suppliers had marked up the prices before exporting them. There is an ongoing investigation with respect to gasoline prices in one of the Family Islands. We hope to bring this matter to the attention of the courts very soon.

The Commission has advised that prices for most items have returned to their pre-Covid levels.

Madam President

All during this Emergency Orders period, teams of Consumer Prices Inspectors in New Providence, Grand

Bahama and in some of the Family Islands have been visiting food stores, pharmacies, hardware and similar type stores, AT THEIR OWN RISK, to make sure that prices are not being inflated and causing further hardship on the Bahamians people.

Now that the local airports are open, the Consumer Prices & Consumer Affairs teams will resume its inspections on family island stores to ensure that the proper prices. During the Covid19 Emergency Orders, we relied on Island Commissioners and Administrators to report abnormal price increases, price gouging and over pricing of breadbasket items.

I would like to say thank you for keeping a watchful eye for our citizens.

NATIONAL TRAINING AGENCY

Madam President

The National Training Agency (NTA) continues to effectively carry out its mandate of workforce development and job placement for the most vulnerable and those unprepared for the workforce.

There has been an intentional focus at the NTA over the last year on improving quality assurance and delivery systems, expanding skills offerings, digitizing overall processes for greater efficiency, and increasing the number of qualified skill workers and their access to employment.

The Agency remains the leader in Soft Skills and Competency Based Training in the Bahamas offering more than 18 units in employability skills and job readiness and 16 technical skills, including 9 that lead to international certification.

Madam President,

Some 532 young Bahamians have been trained in soft skills and certified in various skills over the last year with the total number of young Bahamians trained to more than 5,800. Our overall job placement rate at the Agency is 55%.

The Agency is currently conducting the pre-apprenticeship training programme for 164 young Bahamians under the Skills for Current and Future Jobs programme. In order to observe social distancing restrictions during the COVID 19 pandemic, training and assessments are being carried out using the NTA's interactive online training platform called **Brightspace**.

Madam President,

Brightspace marks the continued improvement in technology at the Agency. It allows for live interaction between assessors and trainees, gives trainees access to training, assessments, results and reports via their computer, tablets or downloadable app on smart phones. Students can participate in live training anywhere utilizing this app on their smart phones. Brightspace gives assessors the ability to set assessment exams and to oversee the taking of those exams.

I want to reiterate, particularly in light of the Covid Pandemic, that this online platform has been tested in a number of family islands and is the key to realizing the Agency's expansion strategies. It is our objective to afford Family Island persons

access to technical and soft skills training to ready them for gainful and meaningful employment.

Madam President,

The Agency has established a full Quality Assurance Department over the last year. This department is staffed with young Bahamian professionals who have been trained and certified in Quality Assurance. NTA now has the largest number of City and Guilds certified Assessors and Internal Verifiers (IV's) in the Bahamas. 18 new City and Guilds Assessors and 5 Internal Verifiers have been trained and certified over the last year. NTA guarantees the highest quality of training that meets the standards and expectations of its partners and industry leaders.

As a result of the work of this department more than 205 students received City and Guilds certifications over the last year and an additional 160 are being prepared for international certifications as I speak.

Madam President,

For the first time in the NTA's history, its audited financial statements have been completed. I hope that these will be tabled in Parliament shortly. These audits include 2017/2018, 2018/2019 and approval has already been granted for the audit to begin for 2019/2020 fiscal period.

For the first time, Madam President, the Agency will be in compliance with its act that mandates annual audited financial statements tabled in Parliament.

Madam President

The Institute of Leadership and Management at the NTA has successfully certified 6 Bahamians in Leadership and Team Skills and an additional 3 currently being prepared for certification.

The NTA has obtained approval for 4 new City and Guilds qualifications within the last year including Numeracy and Literacy, Employability skills and Information Technology.

The Agency has also partnered with the Ministry of Agriculture and Marine Science in offering the 1st cohort of training in Dive and Fishing Level 1.

28 young Bahamians, male and females obtained PADI certification in 3 levels (Open Water, Advance Open Water and Rescue). Many of these individuals are now employed directly in the industry.

Madam President,

The NTA has assisted with the recruitment of more than 200 young Bahamian for full time employment with Royal Caribbean Cruise Line (RCCL) and MSC Cruises in the last year. Just prior to the current measures put in place in the Bahamas due to the COVID19, the NTA facilitated a recruitment exercise with RCCL where some 320 Bahamians were interviewed for various position on CoCo Cay.

It is expected that many of these individuals will receive full time employment once our country reopens and normal operations on the Cay resumes.

Madam President,

The Agency is well prepared to continue achieving great results in the current climate. Its summer cohort will begin in July 2020 utilizing its Brightspace online platform and will be offered in all islands of the Bahamas. **This is another First** for the agency. Trainees in all islands will be able to participate in free training and certification courses.

Some of the Qualifications being offered include:

- 1- Workforce Readiness (Soft Skills)
- 2- Information Technology
- 3- Microsoft Office
- 4- Web Design
- 5- Graphic Design
- 6- Office Procedure

Madam President,

Over the last year, the agency made significant strides in reducing its dependence from the government. With its budget allocation for 2020-2021 reduced significantly from \$1.1 million to \$848,000 or 26.7%, I am pleased to advise that since June 2017, the agency has been able to increase its revenue generating activities to \$1.4 million.

The NTA is aggressively moving in the direction of becoming self-sufficient.

<u>NATIONAL TRIPARTITE COUNCIL</u>

Madam President,

As you are aware the National Tripartite Council (NTC) has, over the past twelve months, been extremely active in carrying out its statutory mandate which is to serve as a forum for labour and industrial relations in The Bahamas. As a result of the

efforts of the NTC, the government is considering a number of recommendations including:

- (i) The enactment of National Productivity Legislation and the establishment of a National Productivity Council.
- (ii) The transferring of the functions of The Bahamas Industrial Tribunal to the Civil Division of the Supreme Court for increased efficiency and productivity to the dispute resolution process in the industrial relations environment
- (iii) The adoption and ratification of a National Child Labour Policy.

In light of the negative impact that the COVID-19 pandemic has had on the world of work in The Bahamas, the NTC has submitted a number of significant recommendations to the government including:

- Recommendations to The Government of The Bahamas for next steps as we emerge from COVID-19, and

- Safe Return To Work – Guide for Bahamian Employers on COVID-19 Prevention

Madam President,

As a nation and a part of the global arena, I point to the need for significant labour and employment reforms going forward.

COVID-19 has enabled many employees to perform certain duties from home and as such employers are strongly encouraged to reengineer their processes and practices to facilitate efficient and productive work from home guidelines.

This transformation of work from office to home, particularly in the IT and digital sectors, should maintain or increase employment levels as current employees can be retrained and/or reskilled to perform these duties at home. This has been proven globally at companies like Google, Amazon, and Microsoft where a large portion of their respective work forces are working from home.

Living and working in a post COVID19 era is expected to become the norm and as such business owners should take the necessary steps, as articulated under the Health & Safety At Work Act, to provide a safe and healthy workplace. This will require more focus on OSHA standards in the workplace, the training of current staff and new persons in skills necessary for the implementation, management, and monitoring of OSHA standards.

The Covid Pandemic has necessitated that governments and the business community beef up their level of technology to allow for more efficient operations and the ability to serve the public with the least amount of face to face contact. The benefit of this will allow us to function effortlessly when faced with similar pandemics or natural disasters in the future.

Madam President,

This is the direction that the world is going. If we want to remain a major player on the global landscape, we will have to

improve and/or employ superior, cutting edge technologies in the way we do things and conduct business.

The COVID19 Pandemic has also identified the need for many new and exciting business/employment opportunities including delivery of food & pharmacy services, specialized and personal goods and basic services to homes and other business as well as curb side services. There will be an increased need to employ persons with digital skills to execute these services in new business enterprises.

Madam President,

Life in a post COVID19 Bahamas will require special services for the millions of tourists visiting our historic sites, restaurants, and beaches. Employment opportunities for medical screening equipment, and the production, manufacturing and servicing of PPE's will be critical as we endeavor to meet local, regional and international protocols relating to living in post COVID19 era.

The opportunity for Bahamians to vacation within the Bahamas and avoid the risk of infection by traveling outside the Bahamas should result in a significant expansion of the domestic tourism sector and should increase employment numbers in the Family Islands.

Madam President,

In spite of the challenges that we face as a nation, the prospects look extremely bright. When the Great Depression hit in 1929, people thought that it was the end of the world as we knew it. Similar feelings were manifested when the stock market crashed in 2008 or when Dorian devastated Grand Bahama and Abaco in 2019.

This Pandemic is no different Madam President. We will recover. And we will recover to a brighter future, a bigger economy, and better a life for all Bahamians.

Madam President,

FINALLY as I close, I wish to commend the committed and hard-working team at the Ministry of Labour headed by Mr. **Reginald Saunders**, Permanent Secretary (Acting), for their unwavering support and their commitment to excellence.

I also wish to thank:

- Senior Undersecretary, **Mr. William Pratt**
- Deputy Permanent Secretary (Acting) **Mr. Ricardo Deveaux**
- Executive Manager, **Mr. Robert Farquharson**

I also wish to thank the hard-working management and staff at:

- the Department of Labour, led by Director (Acting) **Mr. John Pinder**,
- National Training Agency, led by **Mr. Gadville McDonald**,
- The Bahamas Bureau of Standards and Quality, led by **Dr. Renae Ferguson-Bufford**
- The Prices Commission and the Consumer Affairs Division led by Ms. Eulamae Gordan.

I take this opportunity to extend my sincere gratitude and appreciation to all our Board Chairpersons and all persons serving on our Boards, Committees, and Councils including:

- Chairman, CPC - **Philip Beneby**
- Chairman, BBSQ – **Mr. Aaron Brice**
- Chairperson, NTA – **Lady Naomi Wallace Whitfield**
- Chairman, Prices Commission – **Mr. Daniel Sumner**
- National Tripartite Council – **Mr. Robert Farquharson**
- National Maritime Council – **Mr. Richard McCombe**

I wish to thank the Trade Unions, their leadership and members for their support and understanding during this time, especially those on the front line in the fight against the Covid 19 pandemic.

Thank you Madam President and Senate Colleagues for your indulgence.

I support this budget