



Budget Brief 2014 – 15

Prepared for

**The Hon. Sylvan D. Richards, Jr., JP, MP
Junior Minister of Home Affairs**

March 14th 2014

Department of Workforce Development

**Head No. 60 – Found On Pages B-334-338 of the Approved
Estimates of Revenue and Expenditure for the Year 2014-15**

Madam Chair, it is my pleasure to present Budget Head 60 - the Department of Workforce Development. Honourable members can find the relevant budget information on Pages **B – 342 to B – 347** Current Account Estimates, **C – 16** Capital Acquisitions and **C - 22** Grants and Contributions of the Estimates of Revenue and Expenditure.

The Department of Workforce Development is divided into four Programmes:

- 6101 – General
- 6102 – Labour Relations
- 6103 – Career Development; and,
- 6104 – Training which was formerly known as the National Training Board

Madam Chair, Honourable Members will be aware that the National Training Board Act was amended in 2011 leading to the National Training Board and all of its functions being amalgamated within the Department of Workforce Development. Last year's budget brief spoke to the new direction that the National Training Board will take under this government. It was also mentioned that the Board will serve as the umbrella training organization bringing together representatives from existing training bodies and associations under one umbrella – as well as develop a National Training Plan.

Madam Chair, as Bermuda moves to reposition itself as a top destination for business, a critical component of the National Training Plan is to seek to build new capacity and develop human capital. The plan which was received by the Minister this week, proposes a framework to transform our existing workforce development system to achieve better outcomes for businesses and for all Bermudians who can, and who are committed to work.

A critical delivery item in the plan is to illustrate pathways, both traditional and non-traditional, that will ensure Bermudians are also positioned to avail themselves of prospects in the economic resurgence, both locally and globally.

Our approach to developing the National Training Plan was first to form Sub Committees of the Board that would focus on key economic sectors as follows:

- Government Ministries, Corporate and Agencies
- Financial and Insurance
- Hotel and Hospitality
- Development and Infrastructure
- Sales and Services

Building an integrated development and training plan driven by the public and private sectors is one of the key objectives of the Board. A second major objective is the development of implementation and action plans with

relevant metrics and timelines to support the recommendations coming out of the Plan.

Ultimately we see this Plan as a tool to fulfill our goal of ensuring that Bermuda moves to a place of reducing our reliance on overseas labour because we will have carefully considered the future needs of the economy and developed our people accordingly. This Plan will be critical to the continual improvement of workforce planning in Bermuda and to the establishment of a common framework for discussions on future workforce numbers.

The Department of Workforce Development will use the results of the National Training Plan to assist in planning and developing its training and job ready initiatives for the 2014/15 year.

Madam Chair, we are pleased to inform you that most, if not all, of the objectives mentioned in last's year's budget brief for the Department of Workforce Development have been accomplished.

In summary these are just a few:

- Successfully completed the renovations of the old Magistrates Court Building at 23 Parliament Street with all three sections of the department now settled into their new offices. This consolidation will save the Government approximately five hundred thousand dollars (\$500,000) annually on rental expenditure.

- The development of Phase 1 of the online Bermuda Job Board has been completed and went live in November 2013. We will discuss this further in subsequent sections of the brief.
- We have completed the department's re-organizational structure to reflect the new operational needs with all job descriptions now revised to achieve the department's objectives.
- The Management team is now complete with the recruitment of the Labour Relations Manager and the Career Development Manager.
- Policies and procedures for the Labour Relations Section and the Training Section have been completed.

Madam Chair, the Career Development Section (**found on page B-343**) of the Department is seeking local consulting services to address a number of areas such as:

- analyze and document operational processes
- suggest and document improvements
- create enhanced processes along with detailed narrative descriptions for each process
- outlining the activity description, responsible party, tools and outputs for each process
- create Key Performance Indicators along with a suggested reporting format for the Stakeholders; and,

- create a high level process description hand-out for the Job Searcher.

These outputs are designed to guide the Career Development Section to efficiently manage and facilitate successful employment matches for both employees and employers in Bermuda.

Madam Chair, the long awaited Jobs Board was rolled out in 2013. Phase 1 of the Bermuda Job Board has been implemented and the website went live in November 2013. The Job Board is a national employment website. Employers can now post available job opportunities to this site and candidates can apply directly on the website from the comfort of their home or using the resources available at the Department of Workforce Development. Immigration Administrators also have access to the Jobs Board system to assist with the vetting of Immigration applications to determine whether or not there are other suitable Bermudian candidates available in the system.

The job board was launched by first selecting a pilot group in September 2013 to participate in the final testing phase and who were tasked with providing feedback to the Department. Many of the suggestions put forward by industry were incorporated into the final product. Secondly, employer presentations were hosted to provide an overview of the job board and the user friendly features.

To date the Department has presented information sessions to two hundred and nineteen (219) companies, and many individuals have

participated in internal training workshops. A help-desk e-mail account and telephone line was also created in the Department of Workforce Development to provide support services for employers and candidates who require assistance with the Bermuda job board. The website address for the National job board website is www.bermudajobboard.bm.

Madam Chair, Immigration policy is currently being revised which will require all employers to post job opportunities on the Bermuda Job Board for eight (8) consecutive days prior to seeking approval for work permit applications or renewals.

Madam Chair, a summary of the current statistics showing the use of the job board for the period November 12th 2013 to March 12th 2014 is as follows;

Total Jobs Posted	104
Total Applications submitted	1087
Total Employers Registered	244
Total Candidates Registered	911
Total Males Registered	321
Total Females Registered	590

As you can see by the participation over the last four months the usage of the job board is very encouraging.

Madam Chair, the advantages of the Bermuda Job Board are:

- It is Free
- Online Recruitment is quick and easy
- Access to a broad spectrum of available jobs
- Employers have access to the most suitable and trained job seekers
- improved chance of success (Adverts can run as long as you desire)
- Online Recruitment gives you a greater audience to choose from
- Candidates can tailor their resumes for specific jobs
- Extremely convenient and easy to search for jobs and employers

Madam Chair, our National Job Board will be enhanced in 2014/15 as an ***Online Career Resource***. In Phase 2 the Bermuda Job Board will be enhanced to encompass career advice such as resume writing skills, interviewing tips and training opportunities. New functionality will consist of additional integration with Immigration providing information on potential upcoming work permit renewals – with the skills and requirements a potential candidate should have to be considered for this job.

These enhancements will allow Bermudians to prepare in advance by ensuring their qualifications match the job description approximately 6 months prior to the posting of the advert as well as providing Bermudians the opportunity to apply for the position where they have the required skill set. It should be noted that no personal details of the work permit holder will be released - just the job titles, company and job specifications. This is a proactive approach allowing Bermudians an opportunity to see what jobs

will be coming up for contract renewals. This second phase is expected to be completed during the 2014/15 budget period.

Madam Chair, the Government is committed to facilitating employment opportunities for Bermudians. Given the current economic environment we are required to expand our efforts beyond traditional avenues of employment. With that aim, the Department of Workforce Development facilitated a two-day recruitment fair which was hosted by The Norwegian Cruise Line (NCL) on July 23rd and 24th 2013.

Eighty-five Bermudians attended the recruitment fair. The Norwegian Cruise Line Executives presented a full overview of the employment opportunities as well as realistic expectations of life as an employee of a cruise ship company. Employment offers were made to nine (9) applicants with seven (7) accepting and now working on board the Norwegian Gem. The substantive Minister will be providing a progress update in the coming weeks.

Madam Chair, the Department of Workforce Development has also had success with the Royal Caribbean Cruise Line (RCCL), having negotiated with the Vice President of Government Relations Caribbean, Latin America and Asia to provide on-board employment opportunities to Bermudians. As a result of these discussions a two-day job fair will be held on March 26th and 27th 2014. Arrangements are currently in progress surrounding the logistics and I happy to report that the candidate recruitment process

commenced earlier this week. The recruitment process will be based on the established global recruitment practices of RCCL.

Madam Chair, The Department, in partnership with the Bermuda Hotel Association, hosted the 2014 Hospitality Career Fair on Wednesday February 26th, at the Fairmont Hamilton Princess.

The aim of the Hospitality Career Fair was to encourage suitably qualified Bermudians to apply for job opportunities in advance of the upcoming 2014 Tourism season.

Participating properties at this year's event were:

1. Rosewood Tuckers Point
2. Fairmont Southampton
3. Fairmont Hamilton Princess
4. Cambridge Beaches
5. The Reefs
6. Mid Ocean Club
7. Grotto Bay Hotel
8. Coco Reef; and,
9. Coral Beach Club.

The Bermuda Hospitality Institute and The Bermuda College also participated in the event.

This year's event was slightly different from years past as the hotels showcased interactive career stations, including plant maintenance, spa, concierge, sports and recreation, culinary and food and beverage.

The application process for the job opportunities were posted online via the Department's Job Board at www.bermudajobboard.bm.

Our aim was to provide a different experience than in previous years, by making this event stimulating, exciting and interactive. There was an array of careers available in the hospitality industry with expertise on site to explain to individuals the criteria needed to ensure that those taking part in the fair could have all their questions answered on the day.

The event was about sowing the seeds so that we can nurture our next group of hospitality industry leaders and hosted close to 200 people between the hours of 10.00am – 2.00pm in the Harbourview Ballroom at the Fairmont Hamilton Princess Hotel.

Madam Chair, on Monday March 3rd 2014 the Career Development section of the Department of Workforce Development launched a pilot Food Safety and Handling Course. The course will span the month of March with classes held daily from 9:00am to 1:00pm at the Bermuda College. The four week course will have curriculum on employment skills, food safety fundamentals, hazard analysis/critical control point and basic cleaning/sanitation. The former Clean Kitchens course content has also

been incorporated into the curriculum. Each successful student will be issued a certificate from Bermuda College division of Professional and Career Education. The final day of the programme on March 31st 2014 will feature industry partners from the restaurant industry hosting interview sessions with the participants.

A Memorandum of Understanding (“MOU”) continues between the Department of Workforce Development and the Bermuda College which establishes a cooperative working relationship in key areas to assist the Department and the College in promoting their interests in ways that are consistent with their respective mandates, policies, priorities and resources. The general intent of the parties is to cooperate in professional certification and training initiatives for the underemployed and unemployed in Bermuda; specifically, as it relates to professional areas where there are a significant number of guest workers in the job market and new industries where there is a need for qualified resources.

As part of the Government’s ***Workforce Development Strategy***, the Department has identified a need for training in the following areas of occupation: accounting, information technology, secondary education, international business and nursing. This list is not all inclusive.

Associate of Science Degree in Nursing (ADN)

There are currently four (4) individuals in the associate’s nursing programme. This is a 2-year programme which started last year with the

first cohort of students set to complete their education in December 2014. We are looking to increase this number in the September 2014 registration.

The Associate of Science in Nursing Degree (ADN) will deliver quality innovative nursing education, and typify excellence in nursing practice. It has been developed and endorsed in collaboration with the Ministry of Health, the Bermuda Hospitals Board, and other key stakeholders in nursing throughout the Island.

The curriculum was developed utilizing the American Nurses Association Standards and the National League of Nursing Accrediting Commission's Standards. It integrates a strong liberal arts core, a nursing core, alongside sound clinical practice; ensuring graduates receive superior instruction and deliver high quality care, along with critical skills that respect the dignity of all patients.

The ADN Programme includes *Clinical Opportunities* both locally and overseas hence, students must commit to traveling to obtain clinical exposure with key clinical partners overseas.

Prior to being accepted into the Programme, students must submit the following:

- Annual drug screening results
- Current Immunization Record
- Police Vetting Report

- Students must maintain a cumulative GPA of not less than 2.6 in the pre-nursing core to be admitted into the *Associate of Science in Nursing Programme*

Upon successful completion, graduates will be competitively equipped with the knowledge and competencies to function as a professional nurse, and have the ability to apply for licensure through examination.

Madam Chair, in the professional accounting programmes, there are the;

ACCA (UK)

Association of Chartered Certified Accountants

Number of Students 9 currently enrolled (12 at start of program)

Start Date December 2012

CPA (Canada)

Chartered Public Accountant, Canada

Number of students 2 currently enrolled (8 at the start of the program)

Start Date 26 November 2012

4 Students have withdrawn from the program.

2 students have transferred; one joining the ACCA program and the other joining the CPA Becker program

CPA (USA)

Certified Public Accountant (USA)

Number of Students 5 currently enrolled (8 at start of program)

Start Date 11 September 2012

1 student has successfully completed all exams

2 students are continuing their studies in 2014

2 students are planning to write the Audit exam during the first exam window in 2014.

The CPA Becker Audit Module is scheduled to commence on Monday, March 17th 2014, Financials in June 2014, Regulation in September 2014 and BEC Business 2014.

Madam Chair, here are some specifics with respect to the budget:

The Current Account Estimates for 2014 – 2015 (found on Page B-343)

The Department of Workforce Development budget allocation for 2014-2015 is set at ***five million, one hundred and ninety nine thousand, six hundred and thirty four dollars*** (\$5,199,634). The comparative budget figure for 2013-14 was ***five million, seven hundred and forty thousand, seven hundred and ninety five dollars*** (\$5,740,795).

This will result in an annual savings of ***five hundred and forty one thousand, one hundred and sixty one dollars*** (\$541,161) or a 9.43% decrease from the 2013-14 budget expenditure.

Madam Chair, as previously mentioned, the Department budget consists of four programmes as noted on page B-343:

- 6001 – General Administration;
- 6002 – Labour Relations;
- 6003 – Career Development and;
- 6004 – Training.

I will now walk Honourable members through these numbers and provide an overview of the planned expenditure.

Madam Chair, Programme 6001 is the General Administration Section.

This section is responsible for the overall management and administration of the Department of Workforce Development.

Cost Centre: 70000 – Administration Variance vs 2014/15

Found on Page B – 343

	\$	Employees
Original Estimate for 2013/14	\$578,000	3
Estimate for 2014/15	\$618,000	3
Increase	\$40,000	0
Increase %	7%	0%

Madam Chair, the Administration section is staffed by three fulltime employees as indicated, consisting of the Director, an Administrative Accounts Officer and a Receptionist. The total wages are **two hundred and fifty seven thousand, three hundred and twenty six dollars** (\$257,326) or 42% of the total cost for this programme. The other costs of three hundred and fifty nine thousand dollars (\$359,000) relates to general expenses such as rent, local consultants, software maintenance, utilities, office cleaning, building security, photocopiers and general office supplies.

Madam Chair, the total variance is an increase of **forty thousand dollars** (\$40,000) or 7% due mainly to expected software maintenance contracts for the new Job Board, the case management system, and reallocating the advertising costs from the other sections to general administration.

Programme 6002 is the Labour Relations Section which includes three Cost Centres – **found on Page B – 343.**

- Cost Centre 70010, Labour Relations Administration;
- Cost Centre 70011, Labour Relations and
- Cost Centre 70012, Arbitration and Tribunal.

Cost Centre 70010 Labour Relations Administration - Variance vs 2014/15) Found on Page B - 343

	\$	Employees
Original Estimate for 2013/14	\$228,000	2
Estimate for 2014/15	\$222,000	2

Decrease	\$6,000	0
Decrease %	3%	0%

Madam Chair, the total wages for this section is ***one hundred and seventy seven thousand, one hundred and fifty eight dollars*** (\$177,158) which represents 80% of the total cost for this programme area. The other ***forty five thousand and eighty five dollars*** (\$45,085) or 20% of the budget will be applied to expenses such as international certification in arbitration or mediation, any relevant local training, consultancy fees for Phase 2 of the case management system upgrade, publications and general office supplies.

The purpose of this funding is to provide for the management and administration of the operations and staff for the Labour Relations Section which consist of the Labour Relations Manager and one Administrative Assistant.

This allocation is also to provide operational oversight to the section as well as administrative support and to ensure general secretarial and clerical services support the operations, to ensure that existing policies and procedures are adhered to, that clients are serviced with professionalism and that the section functions within the existing legal framework.

Madam Chair, the value of the addition of the Manager's post has been made clear over the past year. You may recall that one requirement was that Manager be a practicing barrister and attorney of at least 5 years professional standing. This has proven to be an important resource, given

the complexity of some of the cases which have been filed, and the increased number of complainants with legal representation.

The requirement for additional duties that relate to tripartite initiatives will continue to require a strategic approach from the section which will be spearheaded by the Manager.

During the next fiscal year the Manager will liaise with the Labour Legislation Reform Committee appointed by the Minister in accordance with the Tripartite Economic Retreat of 14th and 15th November 2013 which has been tasked to undertake a thorough review of labour legislation.

Madam Chair, I am pleased to report that to date, several meetings of the Reform Committee have taken place, and robust discussions regarding policy development have ensued. It is anticipated that amendments to the labour legislation will be enacted during the next fiscal year.

Madam Chair, Sub-Account 70011 Labour Relations - Variance vs 2014/15 Found on Page B – 343

	\$	Employees
Original Estimate for 2013/14	\$451,000	4
Estimate for 2014/15	\$423,000	4
Decrease	\$28,000	4
Decrease %	6%	0%

Madam Chair, the staff complement for this programme comprises of four (4) substantive Labour Relations Officers. However, currently there are only two substantive Labour Relations Officers and one Temporary Relief Officer. The recruitment process for two full-time Labour Relations Officers is currently underway. The total salary budgeted is **three hundred and ninety seven thousand, nine hundred and eight dollars** (\$397,908) or 94% of the total allocation. The remaining funds are allocated for staff certification training in mediation and conciliation, educational outreach seminars...and workshops.

The total variance is a decrease of **twenty eight thousand dollars** (\$28,000) or 6% due mainly to the reduction in salaries as a result of the furlough day. The purpose of this funding is to provide for the overall management of consultations, complaints and applications brought to the Labour Relations Section pursuant to the provisions in the Employment Act 2000, the Trade Union Act 1965, the Labour Relations Act 1975 and the Labour Disputes Act 1992.

Madam Chair, during 2013 there were approximately four hundred and seventy three (473) matters resolved by the Labour Relations Section. About three hundred and forty one (341) were administered which can be itemized by the nature of the complaint as follows:

- 1 agency shop
- 5 layoffs
- 5 vacation pay disputes
- 1 reduced hours of work or overtime

- 11 redundancies
- 56 terminations
- 13 wages/pay
- 1 constructive dismissal
- 2 maternity leave
- 3 sick pay
- 2 union recognitions
- 241 consultations

Consultation **Madam Chair** simply refers to circumstances where advice and guidance is provided to either individuals or employers and such can include a telephone call, email or meeting.

We have seen a continuing trend in increasing numbers of consultations since the twenty five (25) were reported in 2009. From the Department's perspective, this indicates a willingness of persons in our community to utilize our services by seeking advice before an employment relationship deteriorates into a labour dispute.

For 2013/14 to date, our case management system indicates that thirty (33) matters were successfully conciliated and eighty two (82) matters were determined as matters to be pursued in accordance with the statutory provisions administered by the section.

These funds are allocated for the provision of the Labour Relations Officers who service the Bermuda workforce, employers, unions and private sector

representatives in understanding their rights and responsibilities, executing these in accordance with the statutory provisions and international best practice standards and minimizing conflict within all work places.

Madam Chair, Officers facilitate the final resolution of complaints in both unionized and non-unionized environments either through mediation and conciliation or referral to the appropriate statutory Board or Tribunals such as the Employment Tribunal, the Permanent Arbitration Tribunal or the Essential Industries Disputes Settlement Board. Further, the funds facilitate the management of applications for union representation (union certification and de-certification) from the time of the application, through to any necessary ballots, to the final Order of Certification issued by the Director.

It will allow the Officers to assist Government at the highest level in responding to questions and or concerns from the International Labour Organization (ILO) and providing status reports with regard to the state of labour relations in Bermuda. The expected benefits are the final determination of contentious disputes and stable labour relations island-wide.

Madam Chair, the pivotal role the Labour Relations Officer plays has been evident in the very public and recent labour disputes involving the Bermuda Industrial Union and the Fairmont Hamilton Princess, the Department of Marine and Ports, within the Ministry of Tourism Development and Transport...and the Department of Parks, within the Ministry of Public Works.

The Labour Relations Section also played a crucial role in the labour dispute that arose between the Bermuda Industrial Union and the Fairmont Hamilton Princess in relation to Essential Industries as described in the Labour Relations Act 1975 earlier this year.

This labour dispute was referred to the Permanent Arbitration Tribunal which was assisted by the Labour Relations Section and held at the offices of the Department of Workforce Development. Although seized by the Permanent Arbitration Tribunal, this labour dispute was determined with the diligent and considerable efforts of the Labour Relations Section in lengthy deliberations outside of the Permanent Arbitration Tribunal and as a result, the Tribunal processes were affably abandoned.

Madam Chair, additionally, there was another case highlighted in the public arena which was one in which the Inspector determined that he did not have sufficient information to reasonably believe that the matter ought to be referred to the Employment Tribunal. The complainant instituted legal proceedings for that decision to be judicially reviewed by the Supreme Court of Bermuda. The ruling of the Learned Justice has provided further guidance to the Labour Relations Section with regard to the scope of the Inspector's discretion in referring cases to the Employment Tribunal.

Madam Chair, over the past fiscal year, several applications by registered trade unions to be certified as exclusive bargaining agents for groups of employees at various organizations have been submitted to the Director of

Workforce Development. The Labour Relations section is responsible for the facilitation of the application process, particularly, review of evidence to ensure that the application meets the statutory requirements, assisting parties with determining the bargaining unit, setting up and conduct of ballots through to the issuance of the Director's Order of Certification.

The experiences with these applications have emphasized the necessity for the assigned Labour Relations Officer to ensure that parties to the application strictly adhere to the statutory provisions throughout the entire process. This usually necessitates a high volume of communication between parties and their representatives – either through e-mail correspondence, telephone conferences or several meetings.

Technical legal questions regarding the correct constitution of bargaining units have had to be addressed time and time again, lending credence to the current effort of the Labour Legislation Reform Committee to review the labour legislation.

Madam Chair, the Labour Relations Section recognizes that as it goes forward, customer service is of paramount importance. Thus, the section will continue with both public and stakeholder specific seminars to inform clients of the pertinent legal responsibilities with a view to minimize disputes and ultimately reduce the number of complaints filed with the Department.

Madam Chair, during 2013, the section made the following presentations
Bermuda Employer's Council:

- 6 June 2013 on Employment Act 2000 (EA 2000) – 20 attendees
- 13 June 2013 on EA 2000 – approx.16 attendees

Chamber of Commerce:

- 26 June 2013 on EA 2000 – approx. 22 attendees

BPSU (Advanced Shop Stewards):

- 27 June 2013 on Mediation

BEDC:

- 2 July 2013 on Sections 29A whistleblowers and EA 2000 – 6 staff attended

Care At Home Services:

- 8 August 2013 on EA – approx. 25 attendees

Public forum:

- 25 November 2013 on EA – approx. 13 attendees

Health and Safety Advisory Committee (Ministry of Health):

- 4 December 2013 on Workers Compensation Act 1965 (WCA 1965) - approx. 13 Committee members attended

Madam Chair, it has been agreed that the Labour Relations Section ought to promote at least 5 forums per fiscal year. It is anticipated that more presentations will be necessary. This will include the continued

presentation of the Employment Act 2000 to stakeholder groups – both internal and external to Government.

In light of the recent very public labour disputes, presentations to the Civil Service Executive and Heads of Department are being considered to furnish Permanent Secretaries and Department Heads with more information on the processes and options for addressing labour disputes in unionized environments.

Madam Chair, Sub-Account 70012 - Arbitration and Tribunals - Variance vs 2014/15 Found on Page B - 343

	\$	Employees
Original Estimate for 2013/14	\$175,000	1
Estimate for 2014/15	\$136,000	1
Decrease	\$39,000	0
Decrease %	22%	0%

Madam Chair, the budget allocation will underwrite the cost of the salary of an Administrative Assistant of ***seventy one thousand, three hundred and sixty seven dollars*** (\$71,367) or 52% and the balance of sixty five thousand dollars (\$65,000) will underwrite the associated costs for arbitration and tribunal panel fees and office supplies.

The variance is a decrease of ***thirty nine thousand dollars*** (\$39,000) or 22% of the total costs due to an expected decrease in the numbers of disputes filed as a result of education seminars, and an expected increase in the numbers of disputes resolved by mediation and conciliation as a result of increased staff proficiency in mediation and conciliation techniques.

In 2013, three (3) matters were referred to the Permanent Arbitration Tribunal and of that two (2) have been resolved and one (1) matter is still pending. Fourteen (14) matters were referred to the Employment Tribunal, ten (10) were determined and four (4) remain pending.

Madam Chair, the purpose of this funding is to provide for the resolution of employment complaints and labour disputes where no agreement has been reached through mediation and conciliation. The expected benefits are the final determination of contentious disputes and stable labour relations island wide.

As a consequence of not reaching an agreement, a matter may be referred to a Tribunal. Typically, the Officers endeavour to have unresolved employment complaints referred to the Employment Tribunal within three (3) months of the date of receipt of the initial complaint. The referral is by way of a brief, which summarize the issues and the position of the parties.

Further, Officers will make every effort to have unresolved labour disputes referred to the Director within five (5) working days of the end of mediation/conciliation efforts. Draft reports of the issues are submitted to

the Labour Relations Manager for review and finalization before being sent to the Director and Minister.

Madam Chair, this section is supported by one Administrator who executes all administrative functions in support of the Employment Tribunal, the Permanent Arbitration Tribunal and The Essential Services Disputes Settlement Board including but not limited to the coordination of meetings, preparation and circulation of agendas, minutes, awards and general correspondence. This post will also provide support to the Ministry of Home Affairs with respect to the Labour Advisory Committee.

Madam Chair, Programme 6003 is the Career Development Section which includes three sub-accounts found on Page B-343.

Cost Centre 70200, Assessments and Career Development;

Cost Centre 70300, Career Development Administration; and

Cost Centre 70400, Employment & Placement.

The Career Development Section continues to be restructured with emphasis on providing professional services to both job searchers and employers in finding suitable employment. With the objectives of the Department now modelled after the **Career Centre concept**, the focus of the Career Development Section is on client assessment and job readiness with an emphasis on soft skills. Where necessary the clients will be referred

for training and other support services that may be required to prepare them for suitable employment.

The three Cost Centres more accurately reflect the functioning of the Section.

Cost Centre 70200 Assessments and Career Development – Variance vs 2014/15. Found on Page B – 343

	\$	Employees
Original Estimate for 2013/14	\$248,000	2
Estimate for 2014/15	\$204,000	2
Decrease	\$44,000	0
Decrease %	18%	0%

Madam Chair, Assessments and Career Development will be staffed by two (2) fulltime Career Development Officers. The total wages are **one hundred and fifty seven thousand, seven hundred and sixty one dollars** (\$157,761) or 77 % of the total cost for this Cost Centre. The remaining budget of **forty six thousand, five hundred and ninety nine dollars** (\$46,599) or 23% of the total budget relate to the expenses of assessments, training, advertising, travel and job fairs.

Assessments and Career Development is responsible for performing and administering assessments and career development services. The

effective assessment and career development of clients will enable the Section the ability to provide career counseling, self-management skills training, occupational information and support in addition to job placement assistance. The assessment component will facilitate the conduct of initial assessments to determine the individuals' career development needs. Clients will be evaluated and assessed for job readiness and where necessary, referred to training and other support services to prepare for suitable employment.

Madam Chair, each client will have an individualized Case Management Plan to ensure efficiency and effectiveness of services. Clients will receive support and assistance in identifying and prioritizing personal strengths and needs to translate to realistic career goals. In addition, they will have a plan of action to ensure job preparedness and suitability to access job opportunities.

The emphasis will be on identifying and placing individuals who are job ready, and developing and maintaining mutually supportive relationships with employers from all industries. For those who are not job ready, they will be referred to the ***Training Section*** for further training or other referral services to assist them to become job ready. To that end, a communication strategy will be developed to assist the Department with repositioning its service offering.

Madam Chair, the variance in this Cost Centre represents a decrease of **forty four thousand dollars** (\$44,000) or approximately 18% less than the 2013-14 fiscal budget due to the revised salaries by the job description review being assessed at a lower PS grade than initially estimated in last year's budget.

Cost Centre 70300 Career Development Administrations – Variance vs 2014/15. Found on Page B - 343

	\$	Employees
Original Estimate for 2013/14	\$203,000	2
Estimate for 2014/15	\$189,000	2
Decrease	\$14,000	0
Decrease %	7%	0%

Madam Chair, Career Development Administration is staffed by two (2) fulltime officers consisting of a Manager and one Administrative Assistant. The total wages are **one hundred and sixty eight thousand, six hundred and sixty three dollars** (\$168,663) or 89% of the total budget for this Cost Centre. The remaining budget of **twenty thousand and twenty nine dollars** (\$20,029) or 11% relate to the expense of staff training, office supplies and other miscellaneous operational costs.

Career Development Administration will provide management and support for the day-to-day operations. It will include administrative support,

development and scheduling of various job preparedness workshops. Also included is the maintaining and updating of the **Career Information Development System (CIDS)**, a Job Board and a central filing system. It will be responsible for conducting research on various career options including maintaining and utilizing various databases on educational requirements and programs, scholarships, labour market statistics, career paths and qualifications.

Cost Centre 70400 Employment and Placement – Variance vs 2014/15). Found on Page B – 343

	\$	Employees
Original Estimate for 2013/14	\$225,000	2
Estimate for 2014/15	\$198,000	2
Decrease	\$27,000	0
Decrease %	12%	0

Madam Chair, the Employment and Placement section is staffed by two (2) fulltime Career Development Officers. The total wages are **one hundred and seventy six thousand, one hundred and ninety three dollars** (\$176,193) or 89% of the total cost for this sub-account. The remaining costs of **twenty two thousand and fifty eight dollars** (\$22,058) or 11% of the total cost relate to the expenses for providing the staff training, and office materials to assist the section in performing its duties.

The objective will be to use the new job board to compile job and career vacancies from industry partners to provide clarity of job criteria, thereby ensuring referrals of suitably qualified individuals with appropriate education and vocational or professional skills and experience.

Madam Chair, the Employment and Placement section will enhance soft skills and job readiness programmes. The programmes will include **Food Safety and Handling**, **Waiter training** and **City & Guilds** employment skills, all of which are designed to provide entry level employment and industry skills for the unemployed to assist their process of re-training for possible job opportunities.

Madam Chair, the Department of Workforce Development is modelled on the **Career Centre** concept. This model has a specific emphasis on job readiness, soft skills and preparation for employment. The Employment and Placement Section assists individuals in receiving the tools to professionally apply for opportunities that are available and are in line with their knowledge, skills and abilities. In this challenging economic environment, there have been a limited number of employment opportunities available from the hiring community.

The Department changed its reporting systems in early 2013 which negatively affected the data collected on the number of individuals hired and referred for jobs during January- March 2013. This resulted in the data for the 12 months ending December 2013 being incomplete – which has now been rectified.

Madam Chair, during the year approximately *twenty five hundred* (2,500) candidates came to the Department for Career Development Services and currently there are approximately *seventeen hundred* (1,700) unemployed persons registered in the Department’s database. During the year approximately forty (40) individuals were referred to employers *per month* with an average of five (5) individuals *per month* being hired.

Madam Chair, Programme 6004 is the Training Section Found on Page B – 343. There are three Cost Centres:

- Cost centre 70014, Training Administration;
- Cost Centre 70015, Certification & Apprenticeship Training and
- Cost Centre 70016, Professional and Vocational Training.

Cost Centre 70014 Training Administration – Variance vs 2014/15 Found Page B - 343

	\$	Employees
Original Estimate for 2013/14	\$314,000	2
Estimate for 2014/15	\$256,000	2
Decrease	\$58,000	0
Decrease %	18%	0%

Madam Chair, the section will be staffed by two (2) fulltime employees consisting of a Training Manager and one Administrative Assistant. The

total wages are **one hundred and eighty four thousand, six hundred and fifty two dollars** (\$184,652) or 72% of the total cost for this programme. The other costs of seventy one thousand, eight hundred dollars (\$71,800) or 28% relates to general expenses such as advertising, board and committee meetings, materials and office supplies.

The variance in this Cost Centre is **fifty eight thousand dollars** (\$58,000) or approximately 18% less than the 2013-2014 budget year. This is mainly due to the furlough day savings and a reduction in overseas consultant services.

Madam Chair, the purpose of this Cost Centre is to provide management and administrative support to the Training Section of the Department of Workforce Development. In addition, provisions will be made to ensure the core requirements are met. This includes, but is not limited to, allowing access to professional and vocational training for those;

- seeking to enter the workforce;
- assisting the unemployed to enhance their skill level ;
- assisting the underemployed to select alternate career paths to enable them to obtain work in more sustainable occupations; and
- to assist existing practitioners with further development skills training to enhance the probability of promotion and sustainability within the workplace.

The programme also provides for the operation of the various Boards and Committees as prescribed by legislation and the payment of fees to appointed members.

Additionally, **Madam Chair** the Training Section would be responsible for executing and implementing directives and programs as prescribed by Ministry Headquarters and the National Training Board referenced by the National Training Plan.

Madam Chair, the Department of Workforce Development is expected to become *accredited under the Investors-in-People International Standard*. You may recall that the entity formerly known as the National Training Board (quango) received the ‘Gold Award’ under the Investors in People (wider) Framework. This award will expire in July 2014. As a result the entire department must now be assessed in order to obtain the accreditation. Exercises are currently underway, and it is anticipated that the Department will obtain the ‘**Gold Standard**’ following an external assessment set for July 2014.

Cost Centre 70015 Certification and Apprenticeship Training - Variance vs 2014/15 Found on Page B - 343

	\$	Employees
Original Estimate for 2013/14	\$1,507,000	3
Estimate for 2014/15	\$1,428,000	2

Decrease	\$79,000	1
Decrease %	5%	33%

The full staff complement for this section is two (2) full-time Standard and Enforcement Officers for a budget of one hundred and ninety five thousand, **three hundred and ninety three dollars** (\$195,393) or 14% of the total cost of this section. This section is currently staffed by one Standard and Enforcement Officer with one vacancy which we had hoped to fill prior to the completion of this financial period.

Madam Chair, the variance in this Cost Centre represents a decrease of **seventy nine thousand dollars** (\$79,000) or approximately 5% less than the 2013-2014 budget year. The reduction is mainly due to reduced salaries as a result reclassifying one staff position to Sub-account 70016 Professional and Vocational Training.

This allocation is to support Government funded apprenticeships schemes, trainee sponsorships and national certification training.

Madam Chair, after carefully examining the 2012 Employment Survey provided by the Department of Statistics it was apparent that there was a need to develop Bermudians in the **Automotive Collision Repair** field. Further consultation with industry partners confirmed this assessment, and as a result the Department identified **six (6) young Bermudians** to study at the New England Institute of Technology in Rhode Island, USA to obtain their qualifications and certifications in this trade. These students are expected to complete their studies by the end of the 2014 calendar year.

A similar exercise revealed that there was a need for Bermudian butchers and **Madam Chair**, you may recall that the Department **sent four (4)** individuals to **Meat Ipswich, UK** to obtain their certifications from this highly recognized and reputable learning centre. They were successful in achieving their goals and objectives. All four individuals obtained full time employment upon their return to the island – however there are only three that remain employed today.

The Department also sent four (4) cadets to **Holland College** for a twelve week Maritime Cadet Program during the summer of 2013 to participate in the **Bridge Watch Rating and Engine Room Rating** courses. The cadets learned safety procedures, participated in survival craft training, and marine advanced first aid and radio operator training for maritime commercial vessels. This training is the first phase towards receiving the **Standards of Training, Certification and Watch-keeping (STCW)** internationally recognized certification. The next phase consists of a minimum of three months sea time aboard a merchant vessel or equivalent size ship as prescribed by the international maritime agency. All four (4) were successful and will move to the next phase of training

Madam Chair, throughout the year the Department has also been successful in placing four (4) cadets on board the **Barque Picton Castle**, a three-masted tall ship based in Nova Scotia, Canada. It is best known for training programs which allows cadets to explore the some exotic tropical ports and islands while learning seamanship and navigational techniques. The time spent on board assist cadets in achieving the required sea time to

receive the international maritime certification or **STCW** mentioned previously.

This entry level qualification enables individuals to be eligible for deck hand work opportunities on any sea vessel or merchant ship. It also positions the individual to apply to UK maritime learning institutions if they chose to further their studies in this field. There is a **world-wide shortage of English speaking merchant mariners** – the Department is therefore positioning these young Bermudians to explore international work opportunities.

Also **Madam Chair**, National Certification and Apprenticeship Schemes will be on-going with the introduction of a new designate trade of Landscape Gardener.

Certification Schemes will be on-going through this period and into future financial periods. Plans are currently underway to introduce Regulations designating the Landscape Gardener as a trade requiring persons to be nationally certified. Additionally, the department is working with industry experts to enter the trade of **'Power Engineers'** into the designated category. Consultations are well on the way with a view to completion by end of the next fiscal year.

Unfortunately, the Department was not successful in completing the National Certification process for all Electricians and Automotive Services Technicians. However, by the end of this fiscal period it is anticipated that 50% of the registered automotive professionals will be 'nationally certified'

and 90% of Electricians will be complete. Staff shortage and long-term illness and absences from work by the only Standard and Enforcement Officer has delayed this process. The Department is currently recruiting for the vacant post and reviewing measures to prevent a re-occurrence of this anomaly.

Madam Chair, you may be aware of the successful ***Custodial Technician Training Program*** that was launched on February 3rd 2014, by the National Training Section within the Department of Workforce Development. This training was initiated as a result of careful examination of statistical data in relation to the number of work permit holders participating in work in this category.

Bermuda continues to experience the effects of an economy in recession and as a result the Department has been placing their efforts on “***getting Bermuda back to work***”. The aim is to reduce the number of work permit issuances in this category. The Department consulted with industry which resulted in the Cleaning Management Institute, New York, USA, being selected as the most credible Institution to deliver this program.

Madam Chair, it was agreed that the initial offering titled the ‘pilot program’ would be available to individual customers of the Department. A total of **35 customers** were identified from the Department’s database as possible candidates for the Custodial Technician Training Program. All participants were unemployed.

These 35 customers were required to participate in an Orientation Workshop - however only 26 attended.

All participants were police vetted with a total of 12 from the 26 selected in the final list for the programme.

Madam Chair, the program consisted of two weeks of intense training.

The ***first week*** involved Soft Skills Training:

- Self-Development.
- Time Management.
- Work place Ethics.
- Dress for Success.
- Customer Recovery.
- Employment Expectations.
- Effective Communication Skills.
- Phone and E-Mail Etiquette.
- Team Performance.

The ***second week*** the participants discovered the '***core physical***' training that included:

- Chemical Safety.
- Soil Removal Processes.
- Other Cleaning Factors.
- Basic Cleaning of Above-Floor Surfaces.
- Basic Cleaning Procedures for Above-Floor Surfaces.
- Cleaning and Polishing of Wood, Plastic, Metal and Stone.

- Basic Cleaning of Hard Floor Surfaces.
- Basic Cleaning of Carpeted Floor Surfaces.
- Supplies for Basic Carpeted Floor Cleaning.
- Specific Spotting Recommendations.
- Basic Cleaning of Restrooms.
- Equipment and Materials for Restroom and Shower Cleaning.

Ten of the initial class of twelve were successful in passing the program curriculum and obtained the Front Line Certificate and Cleaning Management Institute Badge recognized throughout North America.

At the completion of the program, successful participants were afforded the opportunity to be interviewed by Cleaning Industry Partners. To date, 2 of these individuals have been hired and another 2 are awaiting the results of their final interviews with industry partners.

Madam Chair, the Department is also working in partnership with the Department of Education to provide their custodial personnel with the opportunity to obtain this same Certification and to receive professional instruction by an accredited agency. On March 17th, 2014 a group of 20 custodial personnel will begin their two week training using the same format as the 'pilot group'. We are excited that with the collaboration of industry partners the Department has established a 'standard' that will undoubtedly raise the level of workmanship on island.

Cost Centre 70016 Professional and Vocational Training - Variance vs 2014/15 Found on Page B – 343

	\$	Employees
Original Estimate for 2013/14	\$1,812,000	2
Estimate for 2014/15	\$1,526,000	3
Decrease	\$286,000	1 increase
Decrease %	16%	50% increase

Madam Chair, the full staff complement for this Cost Centre is three full-time Training and Assessment Officers. A budget of ***two hundred and seventy three thousand and eighty one dollars*** (\$273,081) or 18% of the total budget is for staffing.

The purpose of this section is to provide financial support towards costs associated with learning and development. Individuals who are 18 years or older wanting to expand their skills, knowledge and aptitude at varying levels of education are assisted by the department to realize their goals and objectives.

Madam Chair, it is important for the Department to establish new and maintain current business relations with local industry. In this regard, this programme is to create, design and implement training programmes in accordance with industry needs for the benefit of both the unemployed and those who require professional development and/or certification. During

2012 there were 1,272 participants in Government funded training initiatives.

In 2013 the Department supported approximately **735 participants** in various learning and development programs in local and overseas institutions. The decrease is primarily as a result of the physical move of the department which hugely affected our internal training programs. The department is still awaiting computer laptops and other ancillary equipment in order to facilitate learning at our new premises. Despite these challenges the Department anticipates increasing the level of support in 2014/15.

Madam Chair, the Training and Assessment Officers are responsible for assessing and coaching their apprentices on job sites and making recommendations to employers on training needs. In addition, they must manage a portfolio of students who are studying both locally and overseas to provide mentoring and career advice wherever needed.

The Training and Assessment Officers will assist management in maintaining and building relationships with industry partners of all sectors including relevant instructional institutions. They are also responsible to ensure programs are accredited and recognized internationally resulting in Bermudians being able to compete globally. This year they successfully assisted with the research and implementation of newly subscribed programs that aligned with statistical gap analysis reports.

There will be a continuation of job readiness programs offered by the Department with the assistance of the Bermuda College and other industry

partners as you heard earlier. Training programmes will range from soft skills to professional development so that we might better prepare the workforce for the jobs that are available in the economy today and in the future.

Madam Chair, tuition funding was provided for the Department of Works and Engineering Apprentices to study at the New England Institute of Technology in the trade of Automotive Service Technician (Auto Mechanics). This initiative was implemented as a result of careful inspection of the retirement and attrition rates within Works and Engineering. Six (6) individuals are currently participating in this program with the expressed intention of full employment upon successful completion of their studies.

The Department continues to work with **BELCO** to assist with the payment of tuition for their apprentices who participate in industry specific training programs at the Nova Scotia Community College.

Tuition funding is provided for **Marine and Ports** Apprentices to study at maritime institutions in the UK. The institutions are recognized by the International Maritime Organization (IMO). The apprentices are employed by the Department of Marine and Ports with the understanding that upon successful completion they are expected to work there for a specified term. Whilst overseas they receive a salary. The Department sponsors the tuition for learning and may from time to time work with industry to negotiate the required sea time aboard merchant vessels. This is a mandatory aspect towards receiving certification.

The Department provides full funding to assist individuals in obtaining their **GED at the Adult School of Education, Care Computer Services** and other Community Schools as required. Individuals aged 18 and above are eligible. They must achieve passing grades to obtain subsequent funding.

Madam Chair, the Annual Summer Employment Programme is included in this Section in wages. **(Found on Page on B – 343 Cost Centre 70016 and B – 344 Wages)**. This programme provides summer employment for young Bermudian students. In the summer of 2013 the programme was expanded to include students enrolled in Technical Educational Institutions. The Department is therefore pleased to share that the total number of students eligible for this programme increased from **100 to 150** during this fiscal year for a total of **six hundred and fifty thousand dollars** (\$650,000).

I will now provide an accounting of the training budget for 2014/15 for the Department of Workforce Development under Programme 6004 - Training Section.

The training funds are classified under Grants and Contributions expenses at **Found on Page C – 22**.

Description	2013/14 Original	2013/14 Revised	2014/15 Estimates
Scholarships	0	400,000	400,000
Apprenticeship	426,000	420,000	430,000

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Trainees	426,000	422,000	500,000
National Certificates	348,000	352,000	350,000
Totals	\$1,200,000	\$1,594,000	\$1,680,000

This fund represents government sponsored training programmes which represent a 4% increase over last year.

Madam Chair, the Capital Acquisitions budget for the Department is as follows: See the Capital Acquisitions Schedule **Found on Page C – 16**.

Capital Projects 76721 & 76818 – Computer Equipment and Management System – Variance vs 2014/15

Original Estimate for 2013/14	\$80,000
Estimate for 2014/15	\$65,000
Difference	\$15,000

The purpose of this budget is to provide **sixty thousand dollars** (60,000) for development of the Job Board website phase 2. The phase 2 system's specifications and request for proposal documentation are being developed and will be finalized shortly. **Five thousand dollars** (\$5,000) is for purchasing new computer equipment.

Madam Chair, the Revenue budget for the Department of Workforce Development is as follows:

Variance vs 2014/15

Original Estimate for 2013/14	\$60,000
Estimate for 2014/15	\$20,000
Decrease	\$40,000
Decrease %	66%

The purpose of this budget is to show revenues expected from fees charged to applicants for National Certifications during 2014-15. The statutory application fee for each applicant for certification is \$232.00. The National Training Plan will consider how the Department will move forward in this area.

Madam Chair, the Department of Workforce Development continues to focus on preparing the unemployed and underemployed to re-enter the workplace. The Department is working hard to ensure that Bermudians are not disadvantaged and that they are prepared to meet the needs of the ever changing economy.

Notwithstanding, all the training the Department is putting on, there are still challenges once a number of Bermudian's are actually placed in the workforce. For example, employers continue to express concerns relating to tardiness...to the less than hospital attitudes of the local employees in the service industry.

To this end, it is critical that there be an attitude shift if we want to remain competitive in the tourism industry from a global perspective. Likewise, it is

imperative that locals have the attitude shift to that of times past when working in the hotel was highly esteemed, with most young men and women wanting to make a career of the hospitality industry.

It should be noted that in our conversations with the employers, they continue to remain optimistic and want to hire locals at each opportunity in spite of their challenges with retaining conscientious employees.

Madam Chair, the old saying looks to be true in this situation in that we can take the horse to the well (with all the training and development funding allocated), but we cannot make it drink.

As I conclude my presentation, I would like to take this opportunity to acknowledge the hardworking staff of the Department of Workforce Development led by Director, Mr. George Outerbridge, his management team; Mrs. Pandora Glasford, Training Manager, Mrs. Charmaine Smith, Labour Relations Manager, and Mrs. Felicia Rickards, the Career Development Manager.

This group is at the forefront of assisting Bermudians during these challenging economic times.

Madam Chair, this now concludes my budget presentation for Head 60 and for the Ministry of Home Affairs.

Thank you.