



MINISTERIAL STATEMENT
To the House of Assembly
By the Hon. David Burt, JP, MP
Premier and Minister of Finance
Government of Bermuda Fiscal Update

12th December 2025

Mr Speaker, I rise today on behalf of this PLP Government to provide a fiscal update to this Honourable House and to the people of Bermuda. This update is provided in advance of the release of the Pre-Budget Report and the Report of the Fiscal Responsibility Panel, which will be presented to Cabinet on Tuesday and made public next week.

Before turning to the performance for the current fiscal year, I will review the results from the last fiscal year, 2024/25. Mr Speaker, I must advise Honourable Members that the annual audit has been completed; and notwithstanding that the financial statements are not ready for tabling in this Honourable House today, the figures I provide for the last fiscal year will not be estimates, but will be the actual audited amounts.

Mr Speaker, total revenue for Fiscal Year 2024/25 was \$1.27 billion, which is \$40.4 million above the original estimate. Continued economic growth, including \$32.1 million more in payroll tax receipts than originally forecast, contributed significantly to this positive result. Current account expenditure was \$1.0 billion, \$10.7 million above the original estimate. This amount is far less than the combined amounts of the Mid-Year Review to strengthen social and community programmes, and the Public Officers' pay increase of totalling \$38 million, meaning savings in other areas offset these increases. Capital expenditure for the year ended at \$103.6 million, \$8.8 million below the original estimate.

Mr Speaker, I am pleased to advise this Honourable House that the budget surplus for fiscal year 2024/25 is now confirmed to be \$29.8 million, an improvement of \$29.5 million from the original estimate of \$230 thousand and \$10.1 million higher than the revised estimate contained in May's Budget Statement.

Mr Speaker, they said it couldn't be done, but once again this PLP Government has confounded the critics and delivered the first budget surplus since 2003. There is no wonder that the Fiscal Responsibility Panel said, "Fiscal performance strengthened significantly in 2024/25." This is because the PLP Government has a firm grip on the country's finances and continues to deliver better-than-expected financial results.

Mr Speaker, turning now to the current Fiscal Year 2025/26.

Mr Speaker, the Ministry of Finance's mid-year assessment indicates that total revenue for 2025/26 is now projected to be \$1.47 billion, an increase of \$38.3 million above the original budgeted figure of \$1.43 billion. This improvement is driven by stronger non-Corporate Income Tax revenues, which are now forecast to increase by \$26 million to \$1.27 billion, compared to the original estimate of \$1.24 billion.

A significant component of this improved revenue projection is continued labour market strength and job growth, leading to a projected increase in Payroll Tax collections of \$15.3 million from the original estimate of \$621.7 million to \$637 million.

Mr Speaker, the Ministry is also revising its projection for Corporate Income Tax receipts for the first time. Based on feedback from the Corporate Income Tax Agency, CIT receipts for this fiscal year are now projected at \$200 million, an increase of \$12.5 million above the original estimate of \$187.5 million.

Mr Speaker, the supplementary estimate tabled last week provided additional funding for priority programmes across Government. As a result, total Current Account Expenditure is now projected to be \$1.13 billion, which is \$17 million above the original estimate of \$1.11 billion. Interest and Guarantee Management costs remain stable at \$127.5 million, consistent with budget expectations. Capital Account Expenditure is projected at \$154.2 million, \$4.4 million above the original allocation of \$149.8 million, reflecting the supplementary funding.

Mr Speaker, the revised budget surplus for 2025/26 is now forecast to be \$59.8 million, an improvement of over \$16 million on the original budgeted figure of \$43.3 million. It should be noted that even without a boost to CIT receipts, the projected surplus would have been above the original estimate from May's budget.

Mr Speaker, these fiscal results do not stand on their own. They reflect broader economic progress supported by this Government's policies.

Recent official data confirms that Bermuda's economy expanded for a fourth consecutive year, with real GDP growing 1.9 per cent in 2024, and the nominal value of economic output rising 6.9 per cent to reach approximately \$9.2 billion. Growth was broad-based, with strong contributions from international business, construction, health services, information and communications, and other key sectors. GDP per capita increased to \$143,878, indicating a rise in economic output per person.

This positive macro-economic performance is translating into improved outcomes for Bermudians in the workforce. The most recent Labour Force Survey reports unemployment at 1.4 per cent, down from 2.8 per cent the previous year. Bermudian unemployment declined to 1.3 per cent, and youth unemployment fell sharply to 3.4 per cent, down from 13.5 per cent a year earlier. The employment rate rose to 82.8 per cent, labour-force participation stands at 84.1 per cent, and median annual income has increased to \$75,718.

Mr Speaker, these are not abstract statistics; they represent Bermudians finding jobs, earning better wages, and fully participating in Bermuda's economy.

Mr Speaker, it is also important to underscore that the continued strength of the labour market and the continued expansion of our economy are directly connected to the decisions this Government has made: decisions to reduce taxes for workers & local business, execute on Bermuda's Economic Recovery Plan, and implement the Youth Employment Strategy.

This Government has reduced the payroll tax burden on workers to the lowest level in history while strengthening protections for workers. At the same time, we have invested in Bermudians through expanded training, increased apprenticeships, and more scholarships.

The results I have shared today prove that this Government's economic plan has stabilised public finances, earning Bermuda ratings upgrades and international commendation.

Mr Speaker, as we move towards the next fiscal year, this Government will continue to demonstrate fiscal prudence and responsible stewardship of the public purse. We remain focused on supporting our people, investing in critical services, and deploying the results of improved budgetary performance into even more investment in Bermuda and Bermudians.

Thank you, Mr Speaker.