

PRESS STATEMENT

DOUGLAS DE COUTO Ph.d., JP, MP,

SHADOW FINANCE MINISTER – ONE BERMUDA ALLIANCE

The Premier has presented what he calls “*Responsible Choices... Lasting Benefits for Bermudians.*” The question is not whether there are benefits — it is whether they are **lasting**. This Budget is built on an extraordinary surge in **Corporate Income Tax revenue** — a volatile and unpredictable source. The real test is not this year’s surplus — it is **next year’s stability**.

Much of the revenue in the Premier’s budget comes from CIT windfalls, inflation-driven gains, and IB payroll contributions — not real Government-led reform. Spending more today will **not fix structural problems** in healthcare, housing, education, or youth employment.

While the Premier celebrated his successes, we ask Bermudians: **how have the past nine years been for you?** Without debt, there would be no need for record repayments. If the economy were truly sustainable, Bermudians would not face structural challenges in housing, healthcare, and education.

This Budget patches past failures of the PLP Government rather than delivering lasting solutions. Payroll tax reductions, electricity relief, and other measures provide temporary relief but do not create a **sustainable economy**.

The Premier promises a “fairer and better Bermuda” but fails to explain *how* these measures will materially improve the lives of seniors, workers, or families. There is no clarity on **Universal Health Coverage promised for later this year**, youth employment, or local economic growth.

When the Premier leaves in the fall, the question remains: **who will carry out his promises?**

It’s no secret that Government has failed to fix Education. The Premier proposes spending millions on school buildings, yet **today’s students are ill-prepared to compete globally or even locally**. Infrastructure alone cannot fix decades of underperformance that have burdened Bermudian families.

Youth employment is ignored. Blanket tax breaks offered little relief for young Bermudians. The OBA has long **targeted youth support and breaks for hiring young Bermudians** to ensure workforce opportunities for them.

The Government proposes seizing derelict private properties from families. This is hypocritical. Government hasn’t done a good job of maintaining its own properties. Government should focus on using its own empty sites and buildings to provide housing.

Bermuda faces a **labour crunch**: declining births, people leaving, and historically low unemployment. Blanket payroll tax reductions do not address these structural issues. Funds should target **pressing social priorities**, including pensions, childcare, and healthcare.

Blanket payroll tax reductions, Belco tax reductions, and vehicle tax reductions are not equitable. Relief should be **strategic**, helping those who need it most: seniors, caregivers, low and middle-income workers, and families. It makes no sense to give this benefit to high earners when Bermuda needs the revenue for more critical needs.

Our vision as the One Bermuda Alliance is grounded in four principles:

1. **Fiscal prudence** that plans for revenue volatility, not just abundance, that is a budget that works, even in a bad year.
2. **Disciplined spending growth** aligned to sustainable revenue, not just peak revenue on top of the high IB business cycle.
3. **Structural healthcare and housing reform** to reduce long-term cost pressures, not just patching up the cracks.
4. **Full transparency** around fiscal risk, the debt, and Government's obligations

No Bermudian should be left behind. But leaving no one behind requires **durable policy — not temporary windfalls**.

This is David Burt's swan song Budget. Nine years in the seat. Bermudians must ask: **Does this fairy tale reflect your reality?**

Much of the spending today is patching past failures, not creating lasting solutions. The Premier's focus on numbers is largely about **fixing the problems his Government created**, rather than delivering the underlying reforms that genuinely improve lives.

This Budget does contain positive elements, and we support initiatives that genuinely help seniors, caregivers, and healthcare facilities. But Bermudians should feel **underwhelmed based on this total package**.

The OBA will review every line of this Budget and present a **detailed Reply next week**, grounded in fiscal responsibility, transparency, and sustainable support for Bermudians — not just during revenue peaks, but through every economic cycle.