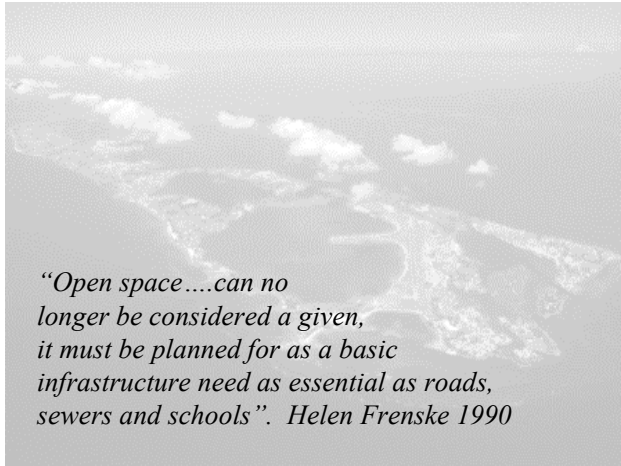


COUNTRY CONTEXT



Geographical Location and Borders

Bermuda is an oasis of life in an oceanic desert. The Bermuda chain, comprising over 150 islands and islets, lies isolated in the middle of the Atlantic Ocean at latitude 32° 19' N and longitude 64° 46' W. The closest continental point of land is Cape Hatteras, North Carolina, which is 965 km (570 miles) to the west. Often mistaken as a Caribbean Island, Bermuda lies over 1200 km (746 miles) to the north of its nearest Caribbean neighbour.

Physical Geography

Unique in that it forms the most northerly coral reef system in the world, Bermuda lies on the southern rim of the largest of three steep-sided sea-mounts. The two other sea-mounts, Challenger Bank and Argus Bank, lie submerged between 19 and 32 km

(12 and 20 miles) to the south west of Bermuda. Originating through two periods of volcanic activity approximately 110 million years ago and 33 million years ago, these mounts rise from a depth of 4,270 m (14,000 ft) from the floor of the Atlantic Ocean.

On top of the volcanic pedestal the shallow-water Bermuda platform comprises a limestone cap which is up to 100 m (300 ft) thick, and encompasses an area of approximately 1000 km² (386 miles²). The extremely porous nature of the limestone means that there are no rivers, streams and freshwater lakes; all drainage is underground.

Topographically the Island consists of a series of low-rolling hills with a maximum height of only 70 m (260 ft) at Town Hill in Smiths. Bermuda's seven principal islands are connected by a series of causeways and bridges to produce a fish-hook shape with a total area of 55 km² (21 miles²). The Island is divided into 9 parishes which are, from west to east, Sandys, Southampton, Warwick, Paget, Pembroke, Devonshire, Smith's, Hamilton, and St. George's.

Climate

Of great biological interest is the fact that Bermuda's climate is sub-tropical, despite its northerly latitude. This is largely explained by the transport of warm waters in the Gulf Stream current from the Caribbean. Although Bermuda lies to the east of this northerly flowing current, spin-offs bring warm water to the Island. Another underlying factor of the sub-tropical climate is the Bermuda-Azores high-

pressure system, which sets up in the summer months and deflects summer storms.

Despite this sub-tropical climate, Bermuda is far enough north to be influenced by the westerlies, so winds show much more seasonal variability than in the truly sub-tropical islands of the North Atlantic. However, the prevailing winds are from the south west. Hurricanes strike the Island every few years, often with devastating effects to the local flora and fauna.

Substantially moderated by the surrounding ocean, Bermuda’s mean monthly air temperatures range from 18.5°C (65.3°F) in February to 29.6°C (85.3°F) in August, whilst sea surface temperatures range from 18°C to 28°C (64.4°F to 82.4°F).

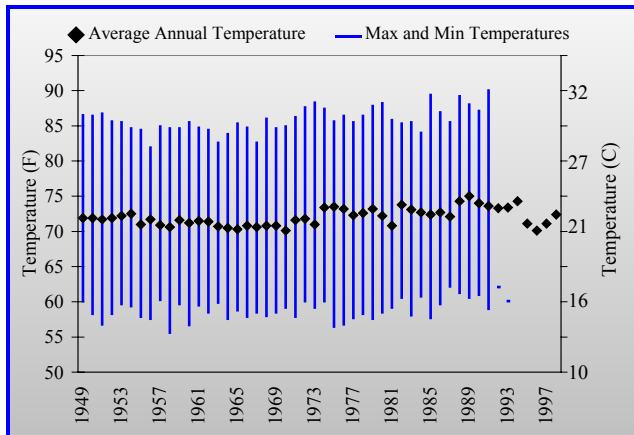


Figure 1. Average annual temperature with average minimum and maximum air temperatures recorded in Bermuda between 1949 and 1998¹.

Annual rainfall is highly variable, and periods of drought present a very real threat, as rainfall is the principal source of freshwater. Rainfall patterns

reveal a definite “Island effect”². The prevailing westerly winds coupled with convection over the land mass bring greater rainfall over the eastern end of Bermuda.

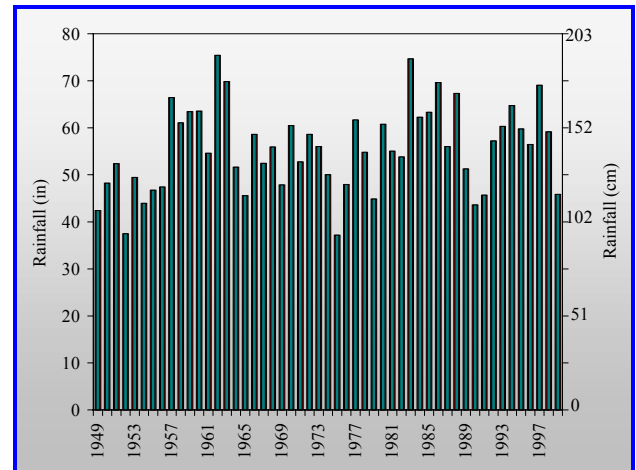


Figure 2. Annual rainfall in Bermuda between 1949 and 1999¹.

Humidity is uniformly high at 70-82% year round, whilst the solar energy reaching the surface of Bermuda has a marked seasonality averaging 240 gcal/cm²/day in July and 640 gcal/cm²/day in December³.

Oceanography

Lying on the western margin of the Sargasso Sea, Bermuda is under the influence of the North Atlantic Gyre, and is dominated by the northerly flowing Antilles Current in the summer and autumn, and the

¹ From data collected by the Bermuda Weather Service.

² Glasspool, A. Pers. Comm. Bermuda Zoological Society. From data collected for the Air Ocean Chemistry Experiment 1988-1995.

³ U.S. Naval Weather Service Detachment. 1974. Bermuda Environmental Scenarios. Ashville, North Carolina.

Gulf Stream in winter and spring. Whilst some of the marine species found in Bermuda are globally distributed, most of the Island's marine life originated from source populations in the Caribbean, and were transported to Bermuda in the Gulf Stream as eggs, larvae or adults. Periodic recruitment from the Caribbean probably occurs for most species⁴, but from a management perspective Bermuda's non-migratory marine species are considered to be self-replenishing⁵. Bermuda's relative isolation coupled with the wide temperature range experienced locally does mean that the diversity of marine organisms found here is considerably less than in the Caribbean.

Surface waters around Bermuda are generally nutrient-poor; however, there are increased levels of nutrients in the inshore waters due to the combined effects of terrestrial run-off, waste water input, mixing of the water column, as well as the increased biological activity of the coral reef system.

Whilst mean tidal range is just 75 cm (2.5 feet), the Island is exposed to large waves from any direction. The extensive rim reefs surrounding the shallow waters of the North Lagoon shelter the Island's north shore. However, on the southern side of the Island the reefline is never more than 1 km (0.6 miles) from the shore, so wave action has a much greater impact.

⁴ Glasspool, A. 1994. Population structure and gene flow in Bermuda's reef fish. Proceedings of the 47th Gulf and Caribbean Fisheries Institute. 47. In press.

⁵ Farmer, M.W., J.A. Ward and B.E. Luckhurst. 1988. Development of spiny lobster (*Panulirus argus*) phyllosoma larvae in the plankton near Bermuda. Proceedings of the 39th Gulf and Caribbean Fisheries Institute. 39, 289-301.

Human Population and Demography

Bermuda is one of the most densely populated isolated islands in the world! As of the last census conducted in 1991, the population was numbered at 58,460 (civilian non-institutional population), with a ratio of 48% male to 52% female⁶. Current estimates put the population closer to 62,000. Whilst 61% of the population is black, they comprise 71% of the voting population. This is because 44% of the white population are non-Bermudian residents without voting privileges⁷.

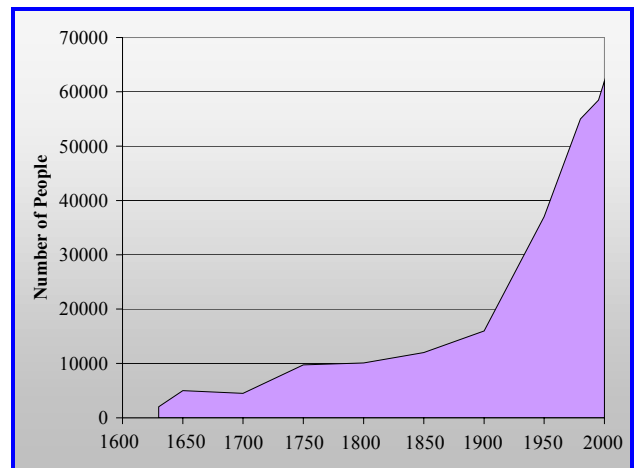


Figure 3. Population growth in Bermuda from ~1626 to 2000⁸.

Bermuda, like all other developed countries, has an increasingly dependent, ageing population and due to declining birth rates, a decrease in the number of young people entering the workforce.

⁶ Department of Statistics, Ministry of Finance, Government of Bermuda. 1991. Census of Population and Housing Executive Report. p. 7.

⁷ Newman, D.K., 1994. Bermuda's Stride Toward The Twenty-First Century. Department of Statistics, Ministry of Finance, Government of Bermuda. p. 3.

⁸ Frazer, S. 1981. Population. In: Bermuda's Delicate Balance. S.J. Hayward, V. Holt Gomez, W. Sterrer (Eds). Bermuda National Trust, Hamilton Bermuda. pp. 10-18.

The population density is a staggering 1,145 people per km² (2,818 people per mile²). However, this is unevenly distributed with 47% of the population concentrated in just three parishes, Pembroke (20%), Warwick (14%) and Devonshire (13%). Less concentrated are; Sandys (11%), Southampton (10%), Smith's (9%), Paget (8%), Hamilton (8%) and St. George's (8%)⁹. Over the last four decades, there has been a steady migration of people away from the City of Hamilton and Pembroke Parish. Southampton and Hamilton parishes account for the largest influxes. External factors influencing residential issues in Bermuda include zoning laws (restricting density per hectare), educational opportunities, and family or neighbourhood associations. Whilst the residential environment is for the most part relatively integrated, small enclaves do exist that are poorly integrated from a racial perspective. Most areas of higher density housing tend to support predominantly black communities.

As of the 1991 census, 79% of the population was Bermudian (by birth and/or status). This represented a 6% increase in the Bermudian population between 1980 and 1991, whilst the non-Bermudian population grew 17% during the same time frame.

Unfortunately there is no record of the number of residents, both Bermudian and non-Bermudian, emigrating to other countries or of Bermudians returning to the Island after living abroad.

⁹ Department of Statistics, Ministry of Finance, Government of Bermuda. 1991. Census of Population and Housing. p. 9.

People and Culture

There are no indigenous Bermudian people. Juan de Bermudez is generally recognised as having 'discovered' the island in 1503, but it was only after a British expedition to Virginia foundered on the eastern reefs in 1609 that a permanent settlement was established. Nowadays the inhabitants comprise a mixed ancestry.

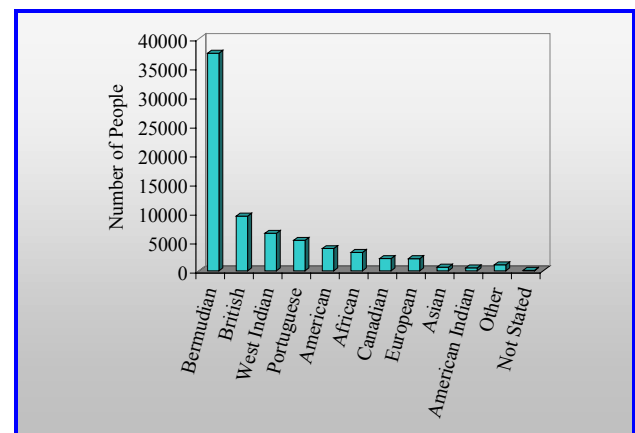


Figure 4. Results of the 1991 Census showing the make-up of the population by ancestry¹⁰.

Legislative And Political Structure

Bermuda is the oldest self-governing British colony (now referred to as a British Overseas Territory) with its government dating back to 1620. The legislature is organised with the Governor at the head (a representative of the Crown), followed by the Deputy Governor, the Senate and the House of Assembly. The House of Assembly is the principal legislating body, currently consisting of 40 members of parliament who meet weekly to debate or initiate

¹⁰ Department of Statistics, Ministry of Finance, Government of Bermuda. 1991. Census of Population and Housing. p. 21.

bills. Although the Senate may also initiate bills, it is usually responsible for approving and forwarding bills for signing by the Governor to be made into law. The Senate consists of 11 members appointed by the Governor with the advice of the Premier and Opposition Leader.

In August 2000, the Government tabled a proposal in the House of Assembly to make changes to the Bermuda Constitution. The most significant of these involves the removal of parish boundaries as the guideline upon which electoral constituencies are based, and the establishment of single seat constituencies representing, as far as possible, an equal number of registered voters. There has been public resistance to these changes and the proposals remain unresolved.

There are 2 main political parties, the Progressive Labour Party (PLP) and the United Bermuda Party (UBP), with a third minor party, the National Liberal Party (NLP). The party that wins the most seats in a general election, or has the support of the majority of members in the House of Assembly, forms the government, with its leader as the Premier. The largest minority party forms the Opposition.

Infrastructure

Roads

Bermuda has approximately 225 km (140 miles) of public roadway and about the same length of private roads. The road network is well developed with

very little room for expansion, and well maintained by the Ministry of Works and Engineering to enhance safety and efficient traffic flow. However, there are issues relating to traffic congestion, especially during rush hours. The Island has a very high number of vehicles per capita, despite the fact that each household is limited to one car.

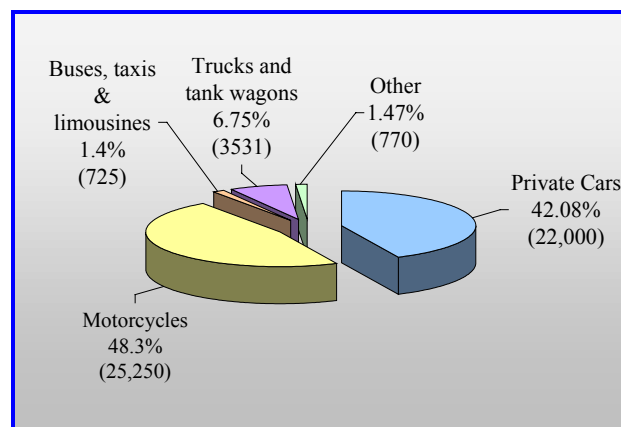


Figure 5. Number of registered road vehicles in 1998¹¹.

A National Transportation Strategy is currently being prepared to identify ways of increasing the efficiency of transportation as well as to encourage the use of public transportation. A reform of the ferry service is underway which includes new, faster ferries as well as additional ferry stops with designated car parking facilities. It is hoped that this will reduce traffic congestion by encouraging people to park and commute via ferry to Hamilton. However, it will involve the construction of new docks and the need for parking facilities at these locations.

¹¹ Department of Statistics, Ministry of Finance, Government of Bermuda. 1999. Facts and Figures. p. 11.

Bridges

Several bridges link the main islands. For the most part these are kept in good repair. However, in the last few years mechanical failures with the two ageing bridges in St. George's have impacted both marine and road traffic.

Sewers

All public roads are maintained to ensure efficient drainage of storm water run-off, although flooding can be a significant problem during heavy rainfall, especially in low-lying areas such as the Mills Creek industrial area in Pembroke. There is no Island-wide sewer system and the majority of domestic wastewater is disposed through cesspits. Some major hotel developments have sewage treatment plants, and there are plans for the construction of a tertiary treatment sewage plant to service the Islands' largest sewer, managed by the Corporation of Hamilton. However, at present, sewage from the City receives only primary treatment before being pumped into the ocean through the Sea Bright outfall off of Hungry Bay. A small but increasing proportion of the Island's sewage waste is discharged into deep-sealed boreholes.

Solid Waste Management¹²

Domestic and commercial non-bulk waste is handled at the Government mass burn incinerator at Tynes Bay. The ash residue from the incinerator is mixed

with concrete to form blocks 1m³ (35 ft³) in size. These are placed into Castle Harbour as part of the land reclamation scheme at the airport. Based on figures from the 1990's, it is estimated that there is an annual increase of 2,000 metric tonnes of waste burnt each year. There is non-mandatory recycling of glass bottles and aluminium cans.

Inert waste, comprising building debris, rubble and metal objects such as cars and refrigerators, is taken to the Airport Waste and Land Reclamation facility. Oils, gasoline and refrigerants are removed before the waste is flattened and then deposited into Castle Harbour.

Hazardous waste including batteries, asbestos, fluorescent tubes, paint, waste oil and chemicals are taken to the Hazardous Waste Facility in Dockyard. From there, they are shipped to hazardous waste processing plants in North America at a cost of about \$450,00 per year¹³. The waste oil is sent abroad for recycling or fuel blending.

The Compost Facility at Marsh folly, the site of the former Pembroke Dump handles horticultural waste, food waste, and carcasses. It will need to be relocated due to the planned restoration of the area as a park.

A bio-oxidiser or special incinerator at the King Edward Memorial Hospital handles biomedical waste from the hospital, and other medical and veterinary practices.

¹² Brett, J. Pers. Comm. Waste Management Section, Ministry of Works and Engineering.

¹³ Trott, C. Pers. Comm. Waste Management Section, Ministry of Works and Engineering.

<i>Type of Hazardous Waste</i>	<i>Amount Collected Annually</i>
Vehicle Batteries	11,000
Household Batteries	4,536 kg
Fluorescent Lamps	40,000 tubes
Waste Paint	45,460 litres
Waste Oil	272,760 litres
Asbestos	1,814,400 kg
Household Waste	67,000 tonnes
Ash Blocks	7,200
Inert Waste	33,800-36,400 loads
Horticultural / Food Waste	18,000 tonnes

Table 1. Most recent figures of the amount and type of waste collected annually in Bermuda¹⁴.

Fresh Water Supply¹⁵

The main source of the Island’s freshwater is rainwater, which is caught on the whitewashed roofs of most residences, and directed into storage tanks on each property.

Groundwater is extracted for use by large institutions such as hospitals, businesses and large hotels. There are four fresh groundwater lenses, the largest being the Central Lens in Pembroke and

¹⁴ Brett, J. Pers. Comm. Waste Management Section, Ministry of Works and Engineering.

¹⁵ Rowe, M. Pers. Comm. Hydrogeology Section, Ministry of the Environment, Development and Opportunity.

Devonshire. Up to 10 m (30 ft) deep, the freshwater lens sits on top of brackish groundwater, which in turn floats on salt water. The limestone, through which rainwater percolates to recharge the groundwater supply, acts as a natural filtration system that reduces impurities in the groundwater. Since disposal of most domestic wastewater and sewage occurs through cesspits, testing of well water by the Health Department is carried out before it can be approved for drinking. Of the 3,100 households that have a domestic well, most use the water for washing and toilet flushing, whilst relying on rain water for drinking. There are 850 commercial wells, and 4 groundwater suppliers in addition to the Government are licensed to sell water.

The average daily rate of extraction of groundwater was between 5.5 and 6.8 million litres (1.2 and 1.5 million imperial gallons) per day in 2000. This rate increases in times of drought. An extraction limit of 9.73 million litres (2.14 million imperial gallons) per day has been set in order to ensure sustainable use of this important natural resource. A seawater reverse osmosis plant, operated by Watlington Water Works, converts 2.275 million litres (0.5 million imperial gallons) of seawater per day to fresh water.

Energy Sources

A private company, the Bermuda Electric Light Company Ltd., generates and distributes electric power using fuel shipped to Bermuda, and energy generated by the Government’s mass burn

incinerator (23,000 megawatts generated annually)¹⁶. Energy consumption has increased from 480,142 megawatt hours in 1996 to 552,470 megawatt hours in 1999. Half of all energy consumption is attributed to commercial properties.

Diesel fuel and gasoline are imported for use in motor vehicles and propane is imported for cooking. The viability of electric-powered cars is currently being assessed, and solar energy, although not widely collected, is utilised by some hotels and a few private homes for heating water. Solar panels and electric vehicles are imported duty free.

The feasibility of using offshore wind turbines is currently under investigation by the Bermuda Electric Light Company Ltd., the Government and the Bermuda Biological Station for Research.

Communications

Bermuda has excellent cable and satellite communications and service links. It received its first underwater telecom cables in the 1890's and has since kept pace with technological developments. It now has a highly developed communications infrastructure which, according to "Wired Magazine" was ranked third amongst 197 countries surveyed in the late 1990's for their relative "Techwealth"¹⁷. All external communications are provided by Cable and Wireless Ltd. and operated in conjunction with the Bermuda Telephone Co. Ltd.

and several other long-distance telephone service providers. The Island's sophisticated infrastructure has supported an explosive growth in electronic commerce. There are several internet service providers.

Property Rights And Tenure

Land Registry

Bermuda does not have a land title registry so land ownership is often hard to trace. The issue of developing a land title registry has proven contentious, but is still being considered. The Ministry of Works and Engineering and the Planning Department are currently preparing a land parcel map; this will provide more detailed information but will not define ownership, only approximate boundaries¹⁸. The Crown owns all areas below the high water mark.

High Property Prices

Given the scarcity of land and the high population density, the pressure to develop land for profit is great, and consequently land is expensive. Inherent in these high land prices is the high cost of rental housing. This is further compounded by the international business sector which provides rent subsidies for many of its expatriate workforce, thereby driving rents higher and encouraging locals to build with the intent to rent.

¹⁶ Brett, J. Pers. Comm. Waste Management Section, Ministry of Works and Engineering.

¹⁷ Bermuda International Business Association. Bermuda: International Solutions for Digital Business (leaflet).

¹⁸ Viney, T. Pers. Comm. Survey Division, Ministry of Works and Engineering.

<i>Property</i>	<i>Area</i>	<i>Price</i>
Vacant building lot	0.05 ha/ 0.124 acres	\$150,000
Vacant building lot	0.25 ha/ 0.628 acres	\$325,000
3 Bedroom House (Waterfront)	0.56 ha/ 0.775 acres	\$1,400,000
3 Bedroom House (High Density Area)	0.06 ha/ 0.148 acres	\$350,000

Table 2. Examples of property prices in January 2001¹⁹.

Control of Land Sale to Foreigners

Property is available for sale to non-Bermudians but is strictly regulated according to the Annual Rental Value (ARV) of the property. The policy on the acquisition of residential property by non-Bermudians is “to preserve the majority of housing stock and residential land for Bermudian ownership. It is recognised that there is only a small market for the highest-priced houses and these may be acquired by non-Bermudians for private residential use”²⁰.

Housing Stock

The 1991 Population Census reports that the owner-occupier ratio for Bermudians increased to 51% in 1991 from 47% in 1980²¹. About 45% of the housing stock has been built since 1960. By May

2000 the total number of dwelling units was 27,612²².

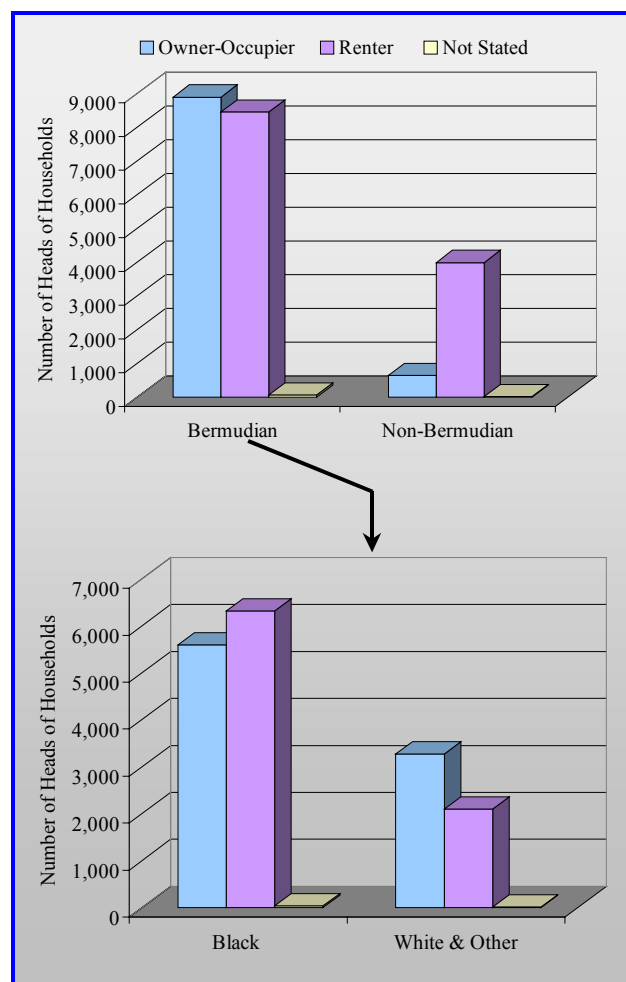


Figure 6. The distribution of home-owners by status and by race²³.

¹⁹ The Royal Gazette, January 2001.

²⁰ Ministry of Labour, Home Affairs & Public Safety, Department of Immigration, Bermuda Government. 2000. Policy Statement and Notes for the Acquisition of Residential Property by Non-Bermudians.

²¹ Department of Statistics, Ministry of Finance, Government of Bermuda. 1991. Census of Population and Housing Executive Report. p. 6.

²² Ball. S. Pers. Comm. Land Valuation Office, Ministry of the Environment, Development and Opportunity.

²³ Newman, D.K. 1994. Bermuda’s Stride Toward the Twenty-First Century. Department of Statistics, Ministry of Finance, Government of Bermuda. p. 70.

Land Use

There is no precise data on the use of Bermuda’s 5,369 ha (13,267 acres) of land. However, zoning designations from the 1992 Bermuda Plan, give a close approximation and show that 43% of the Island is zoned as “Residential”²⁴. Some land zoned as Rural also supports a significant amount of housing, though at a lower density. In the 1992 Bermuda Plan, 33% of Bermuda (just over 1800 ha or 4448 acres) was designated “Open Space”. The former foreign military bases have added another 514 ha (1,270 acres) or 10% of Bermuda’s total land area (219 ha (540 acres) of which, comprise the Bermuda International Airport).

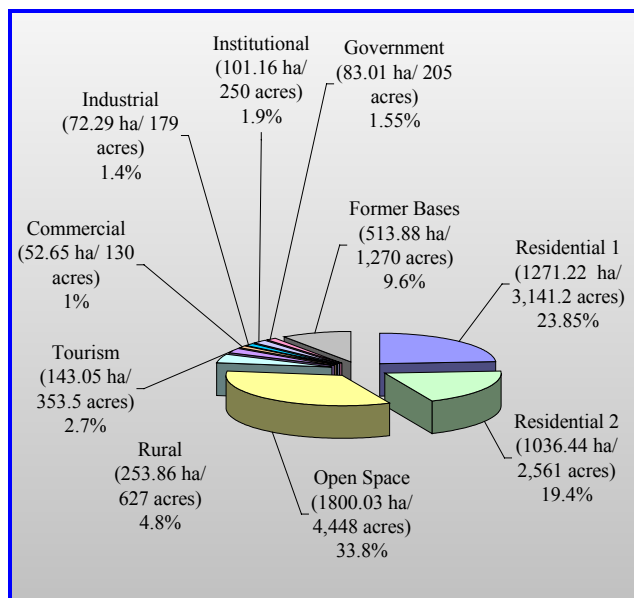


Figure 7. Percentage of land use in 1992, excluding the City of Hamilton²⁴.

²⁴ Department of Planning, Ministry of the Environment, Government of Bermuda. 1992. Bermuda Plan.

* Some land for historical properties not available.

** Calculations of Bermuda Housing Corporation land not yet available.

	PROPERTIES	HECTARES
Government Owned Land	Parks	330
	Airport	219
	Gov. Golf Courses	121.31
	Railway Trail	40.47
	Schools	27.88
	Prisons	17.97
	Industrial (Gov. quarry, bus garage)	16.48
	Tourism (former Club Med)	14.41
	TOTAL	787.57
Quasi-Gov. Organisations	WEDCo	80
	BLDC	298
	Bermuda Hospital’s Board	9.5
	TOTAL	387.5
Municipal Authorities	Corporation of Hamilton	71
	Corporation of St. George’s	135
	TOTAL	206
NGOs	Bermuda National Trust	89*
	Bermuda Audubon Society	15
	TOTAL	104
GRAND TOTAL		1485.02

Table 3. Area of land held by major land owners in 2001.**

Industry

Bermuda has two main industries, tourism and international business. International business, attracted by Bermuda’s absence of restrictive regulations, low tax liability, stable governance and good infrastructure and communications, surpassed tourism in becoming the main foreign exchange earner in 1995²⁵. In 1999, international companies spent \$912.1 million in Bermuda, a 20% increase

²⁵ Holberton, R. Pers. Comm. Ministry of Finance.

from 1998. In comparison, visitors spent \$476.4 million in Bermuda in 1999, down \$10 million or 2% from the 1998 level²⁶.

International Business

The first Bermuda-based international company was established in 1935. By September 2000, 12,261 international companies were locally registered, of which only 456 actually had a physical presence on the Island. These comprise companies engaged in insurance, transport, trading, financial activities, communications and business services. In 1999, the international business sector employed 3,355 people²⁷; 53% of these were Bermudian.

Tourism

Tourism became the mainstay of Bermuda's economy in the early 20th Century and peaked in 1980 with 491,000 visitor arrivals by air, and 118,000 by cruise ship. Since then, declining air arrivals, especially from Bermuda's largest market, the United States, has offset a general trend of increasing cruise ship arrivals. In 2000, there were 332,000 air arrivals and 210,000 cruise ship visitors. Visitor expenditures per capita fell by 21% between 1990/91 and 1997/98.

Farming and Fishing

Bermuda's primary industries are restricted to small-scale agricultural and fishing interests, and along with quarrying, employed only 566 people in 1999²⁵. There is no export market; indeed over 80% of agricultural food products are imported²⁸.

Socio-Economic Situation

Bermuda has experienced tremendous economic growth over the last quarter of a century. This growth means that the Island now enjoys one of the highest per capita incomes in the world. In 1998, the Gross Domestic Product per capita was \$34,600²⁹.

Employment

This wealth is not evenly distributed. Figures from 1991 indicate that at each educational level, wages for black people in every major occupation were less than for white people, and those for women were less than for men³⁰. Furthermore, in 1990, whilst 60% of the professional positions and 75% of the management positions were held by Bermudians, only 20% of these were held by black Bermudians. Again, in 1991 of the 6% unemployed, 84% were black, and the unemployment rate amongst black

²⁶ Ministry of Finance, Government of Bermuda. 2001. 2000 Economic Review. p. 17.

²⁷ Ministry of Finance, Government of Bermuda. 2001. 2000 Economic Review. p. 41.

²⁸ Department of Agriculture, Fisheries and Parks, Ministry of the Environment, Government of Bermuda. 1995. Agriculture in Bermuda. p. 3.

²⁹ Department of Statistics, Ministry of Finance, Government of Bermuda. 1999. Facts & Figures. p. 7.

³⁰ Newman, D.K. 1994. Bermuda's Stride Toward the Twenty-First Century. Department of Statistics, Ministry of Finance, Government of Bermuda. p. 5.

males was 11%. Women by contrast have fared better, and unlike many countries, have a consistent long-term attachment to the labour force³¹.

<i>Economic Activity Group</i>	<i>Number of Filled Jobs</i>
Public Administration	4054
Retail Trade, Repair	4004
Hotels	3794
Business	3355
International Business	3255
Finance	2907
Education, Health, Social Services	2890
Transport, Communications	2868
Construction	2508
Community, Social, Personnel Services	2372
Restaurants, Bars	1863
Wholesale Trade, Motor Vehicles	1283
Manufacturing	1208
Agriculture, Fishing, Quarrying	566
Electricity, Gas, Water	466
Real Estate, Rentals	456
TOTAL	37,849

Table 4. Jobs held by the population in 1999³².

In response to pressure to develop more equitable hiring practices, the Government has responded by adopting policies that invest in social and educational development and maintain Bermudian enterprise chiefly for Bermudians. In 1994, the Commission for Racial Unity and Equality (CURE) Act was passed. A CURE Office was set up and CURE Regulations came into effect in 2000 to monitor racial distributions in the workplace. College bursaries have increased in number and immigration policies have tightened to ensure that Bermudians are hired and trained. Of a total

workforce of 37,849 in 1999³³ 80% were Bermudian and 7,412 work permits were held³⁴. It should be noted that whilst the increase in international business has largely offset the recession in tourism, hiring is from a totally different skills pool. Concern has recently been expressed that over the next decade of over 6,000 new jobs predicted by the Department of Statistics, overseas workers will fill half³⁵. Whilst overseas workers in the hotel industry are predominantly single, most of these new jobs are expected to be created in the international companies sector. Expatriate staff in this sector, tend to bring their families with them.

Government economic priorities remain focussed on revitalising the tourist industry in terms of providing greater incentives and on the further strengthening of the international financial and e-commerce sectors.

The level of consumer spending in Bermuda generally highlights the relative affluence of its people, despite markedly higher housing costs than in other jurisdictions. The Bermuda Housing Corporation was established in 1973 to provide adequate, affordable housing for Bermudians. It has adopted a multi-pronged strategy of both building low-cost housing for rent (there is also provision for rent subsidy allowance) and for purchase, and has made a very large and valuable contribution to the supply of housing for Bermudians.

³¹ Newman, D.K. 1994. Bermuda's Stride Toward the Twenty-First Century. Department of Statistics, Ministry of Finance, Government of Bermuda. p. 6.

³² Ministry of Finance. Government of Bermuda. 2001. 2000 Economic Review. p. 41.

³³ Ministry of Finance. Government of Bermuda. 2001. 2000 Economic Review. p. 40.

³⁴ Taylor, M. 7 Feb 2001. Work permits on the rise. The Royal Gazette. p. 1-3.

³⁵ Burgess, D. 2001. "Jobs Explosion". The Bermuda Sun, April 27th 2001. p. 1.

The 1991 Census reported that 13% of all households with children were single parent households³⁶. Seventeen percent of all black households were single parent households in comparison to only 5% of all white households. During the 1990's, the proportion of children born outside of wedlock averaged 38% annually³⁷. Concern is regularly expressed about the consequences of the lack of paternal responsibility, as well as teenage pregnancy. This, combined with the high cost of living, are thought to be factors that impact negatively on development in children, especially young black males, leading to social problems such as drug addiction and crime. Black males comprise ninety-three percent of the total prison population of 342³⁸.

Health Services³⁹

In the recently released Adult Wellness Report it was found that of 1,056 locals surveyed in 1999⁴⁰, the most frequent health problems experienced were allergies, asthma, migraine headaches, tension headaches, depression, and anaemia. One in three people were considered obese, and one in four experienced "stress overload".

³⁶ Department of Statistics, Ministry of Finance, Government of Bermuda. 1991. Census of Population and Housing. p. 5.

³⁷ Department of Statistics, Ministry of Finance, Government of Bermuda. 1998. Bermuda Digest of Statistics 1998. p. 8.

³⁸ E. Dyer. Pers. Comm. H.M.S. Prisons, Ministry of Labour, Home Affairs and Public Safety.

³⁹ Department of Information Services, Government of Bermuda. Bermuda Report 1985-1988. pp 86-99.

⁴⁰ Regan, N. 16 March 2001. Living large and paying the price. The Bermuda Sun Weekend. p. 1.

Bermuda enjoys a very high standard of health care and a wide range of medical and social services provided by government as well as private practitioners. In 1998, there were 15 physicians, 7 dentists and 70 nurses for every 10,000 residents⁴¹. The general hospital, King Edward Memorial Hospital, and the psychiatric hospital, St. Brendan's Hospital, are accredited by the Canadian Council on Hospital Accreditation and administered by the Bermuda Hospitals Board. The Department of Health supports a variety of programmes that include dental health, child health, adult and geriatric care, disease monitoring and environmental health. The Department of Social Services provides day care services, residential care for young people, child welfare services, including adoption and foster care, financial assistance for low income and handicapped people as well as care for the elderly.

Most private businesses have contributory health schemes provided by private health insurance companies. Government's Hospital Insurance Plan is available to all employed and self-employed people. Government employees are covered under the mandatory Government Employees Health Insurance Scheme. The Contributory Pensions Act 1968 provides for contributory and non-contributory old age pensions, disability benefits and a widow's allowance. On 1st January 2000, the National Pension Scheme Amendment Act came into effect requiring every Bermudian and spouse of a Bermudian to have a personal pension plan.

⁴¹ Department of Statistics, Ministry of Finance, Government of Bermuda. 1999. Facts and Figures. p. 10.