

A Global Player in Business



The Hon. Craig Cannonier

EDITORS' NOTE *Craig Cannonier was elected to his current post in December 2012. After obtaining a B.Sc. in Industrial Psychology from Towson State University in Baltimore, Maryland in 1986, Craig went on to acquire retail management experience in a number of different arenas. He began his career by working for the MarketPlace Group and later served as the General Manager of People's Pharmacy for some 10 years. Prior to beginning his association with Esso Bermuda, he served as a Relationship Manager for Cable & Wireless. Cannonier currently runs Esso City Tigermarket, Collector's Hill Esso, and Warwick Esso.*

What is your vision for Bermuda?

I want Bermuda to remain a prime location for international business, retaining our leadership position in insurance and reinsurance, with a thriving tourism industry and new business activities contributing to both economic diversification and the well-being of our people. I want us to continue building an environment that nurtures innovation and trust, and guarantees freedom, safety, and stability.

How is Bermuda positioned as a global player in the business community?

Bermuda is a place of great talent and potential. I want to make sure we take advantage of our God-given attributes and provide the opportunities for everyone to succeed – Bermudians and those who come to our shores to work. Bermuda boasts a small population in one of the most geographically isolated places in the world that, with foresight, ingenuity, and attention to detail, became a global player in business. We're going to continue to perform for the benefit of everyone. Our success reflects the character and quality of our people and the stability and predictability of the jurisdiction.

How will the policies you enact differ from the previous administration?

We're a government that campaigned for change so we're going to move aggressively to attract new business to the island. It's not just about being open for business; it's about going into the market with

An Interview with The Honorable Craig Cannonier, JP, MP, The Premier of Bermuda

the message that "We want your business!" and then working with interested parties to make it happen. To the international business community, Bermuda is saying: "Your success is our business."

Bermuda is viewed as a conservative business environment with significant regulations and lengthy processes. Is this a fair assessment?

Bermuda may be a conservative place to do business but that brings with it a stable, predictable, and responsible environment. We have discussed the need for "more red carpet, less red tape," so initiatives are in place to streamline regulations and processes in ways that create a greater level of certainty for businesses and to help everyone achieve their goals in an efficient, cost-effective manner. We ended term limits that hindered the recruitment and retention of key employees, and we set up an Economic Development Committee, which brings together Government ministers and senior civil servants to concentrate and expedite the multiple approvals that development projects inevitably need to proceed. We're moving to institute changes that help Bermuda and the businesses based here to realize their goals.

Bermuda is known for its strong insurance and reinsurance industry. Which other industries would you like to develop?

I want to enable our existing international businesses to continue generating new forms of business, as we have excellent infrastructure to host these businesses. I want to see our tourism industry flourishing because of its importance to local employment, but also because it brings energy and life to the island and for its complementary value to international business, which include excellent air connections and hotels.

We are looking at the expansion of hedge funds and the banking industry to bring further diversification to the economy. We also recognize that with the insurance and reinsurance industry, there is much room for growth.

What makes Bermuda attractive to international business?

For Bermuda to remain competitive in the global marketplace, it is vital that the laws and changes in policy attract international business. Based on the Companies Amendment Act 2006: Private trust companies may now incorporate as a company limited by guarantee, a structure that will facilitate the organization and operation of private trust companies. Companies may now adopt procedures for executing documents without a seal but by hand. A company can register a secondary

name with non-Roman script names to facilitate the carrying on of business by companies in jurisdictions with different language characters. Written resolutions are authorized to be effective when the same majority as would be necessary for a physical vote has signed the written resolution; and companies can hold their own shares in treasury.

Based on the Investments Funds Act 2006, which became effective March 2007, there is a clearly defined distinction between public (retail) funds and institutional or non-public funds. Under previous legislation, partners were not covered, but this gap has been now closed and they have been included. For mutual fund companies and unit trusts, unit trustees can hold property in segregated accounts and how these accounts will be managed has been defined – this allows trustees the same benefits as companies operating with segregated accounts. Fund administrators are now regulated and licensed, and similar to other financial institutions, a right of appeal to an appeal tribunal was introduced.

In addition, Bermuda is easily reached by air from major U.S. and U.K. financial centers like New York and London. There is political and economic stability. Bermuda is one of the most wired countries in the world and there are world-class hotels and restaurants, progressive laws and tax structure, and an educated workforce.

Can Bermuda's infrastructure support a significant influx of international businesses?

The population has grown up with international business, so the capacity is here. We also just completed a sustained build-up and modernization of Hamilton office space with new buildings and rebuilds, and it's a buyer's market.

What changes have you made to date to attract international business to Bermuda?

We're signaling to our customers every week that we are in the business of helping them succeed. The success of international and local business is essential for our success as a society in terms of providing jobs for our people and career opportunities for young Bermudians.

Do the recently enacted Swiss executive compensation regulations provide an opportunity to attract corporations to Bermuda?

Bermuda has no limits on what people can earn beyond what the market will pay them for their services. This is a free society and we want people to succeed as best they can, knowing that success for one person can help others succeed. We have no income taxes and no corporate taxes, and we never have had them. And we have never in our history had income restrictions – it's not who we are. ●