

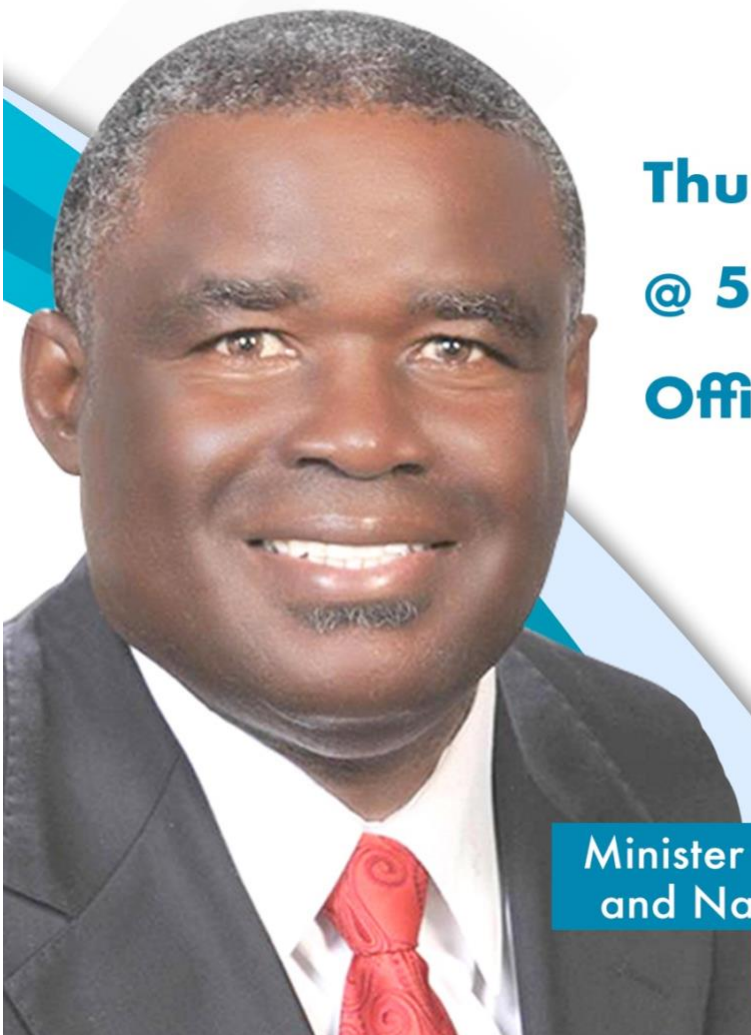
FINAL



Ministry of Public Service and National Insurance

MINISTER'S REPORT

Hon. Brensil Rolle, M.P.



Thursday - 15 October 2020

@ 5:00pm

Office Of The Prime Minister

Minister of Public Service
and National Insurance

Permanent Secretary, Chairman and Members of
The National Insurance Board, Director of National
Insurance Board and the Executive Management
team of the Ministry of the Public Service and the
National Insurance Board, ladies and gentleman of
the media and my fellow Bahamians, Good afternoon.

Our Prime Minister, the Most Honourable Dr. Hubert
Minnis requested that Ministers provide the Country
with an update on matters pertaining to their
respective Ministries. Today, the Ministry of the Public
Service and the National Insurance Board will
report on our performance and actions throughout the
COVID-19 pandemic.

Ladies and Gentlemen, the public service makes up the single largest employee base in the country. With over 20,000 public officers, [GRAPHIC 1] these officers are the conduit through which the Government delivers its services to all of its international stakeholders and to the Bahamian public at large.

Let me begin by acknowledging how vital of a role they play in allowing this country to function throughout this pandemic and during the normal days of the year.

The public service is the heartbeat [GRAPHIC 2] of this proud nation, and we owe them all a huge debt of gratitude for their silent sacrifices and tireless work.

HEROES IN THIS CRISIS

As the Minister responsible for the Public Service, [Graphic 3] I offer my thanks and eternal gratitude to the brave men and women of the Public Service, who continue to work on the frontlines of this pandemic and assist with safeguarding the health and wellbeing of the people of our Nation.

They voluntarily risked their lives and left their families, from the onset, to take care of our sick, elderly, orphaned and mentally ill. The uniformed branches protected us, the healthcare workers treated us, and other public officers played their roles to ensure that other essential operations are carried on smoothly especially since March. These officers answered to the call of service to God and country and because of their humble sacrifices, these Public Officers are the heroes in this crisis. I convey our sincere and heartfelt appreciation to the health care

workers and professionals, finance personnel, Law Enforcement Officers, Royal Bahamas Police Force, Royal Bahamas Defence Force, Social Workers, National Insurance employees, Educators, sanitation workers Environmental Health staff and all employees on the front-line. Even now, I thank all public officers and civil servants for playing their part in allowing the country to transition into a gradual re-opening of the economy. It is a direct result of your hard work and dedication that we have made it this

far. Consequently, I urge you to continue for your work is not yet done.

CONDOLENCES

While we take time to acknowledge all of the hard work and dedication of public officers, I must also take this opportunity to convey my heartfelt condolences [Graphic 4] to the families of loved ones who died as a result of COVID-19. This goes for public officers, and to the Bahamian public at large. Our prayers are with you at this time, and May the Souls of your family members rest in peace and Rise in Glory.

We have all been directly affected by a spouse, co-worker, friend or family member who may have contracted the disease.

Covid-19 is truly no respecter of persons. I wish to offer my prayers to those persons who are currently hospitalized and are in recovery.

To those who have recovered, I thank God for preserving you and may your story be used to encourage many other citizens.

COVID-19 - BUSINESS CONTINUITY PLAN

The Health and Safety of all staff remains the number one priority for the Government of the Bahamas.

The safe reopening and functioning of the different agencies of the Government needs to serve as a model for the reopening of the rest of the country. We need to and indeed we have established a clear, standardized plan of action for all Ministries to follow.

The plan is clear enough to be applied broadly, but also flexible enough to cater to special emergency circumstances. In this regard, the Ministry of the Public Service was mandated to the following:-

[Graphic 5]

- 1) Establish a Health and Safety Committee within each Ministry.
- 2) Implement a shift system in support of social distancing in Ministries and Departments.
- 3) Ensure that employees with compromised health systems were allowed to work remotely on receipt of a medical certificate from a registered physician.
- 4) Return to Work Guidelines were prepared by Senior Managers in the Public Service and staff members were required to comply with the

guidelines, to ensure the safety and well-being of all persons in the work place.

In addition, The Government continues to monitor both national and international reports on COVID-19 and will remain current on issues regarding the health and safety of staff within the work environment.

Immediate action for deep cleaning and sanitization services have been taking place in instances where certain areas have been compromised, to ensure the safest possible environment for all of our workers and guests.

We must continue to be in a position to observe, react and evolve in our response to the very fluid emergency situation we are faced with.

PUBLIC SECTOR/FINANCIAL POLICY

[Graphic 6] The Government of the Bahamas made a policy decision not to lay off any public officer due to the financial challenges of COVID-19. As the public service is the heartbeat of the nation, public officers have also been the heartbeat of the economy through this difficult period.

Covid-19 has expanded the need of the Government to provide essential services to its people, and the past several months have been a delicate balancing act between maximizing service delivery and safety.

We must also use wisdom, however, in the way that Government resources are used. In view of the need for stringent fiscal discipline during this Budget year, the following policy decisions were made:

- 1) Increments, promotions, confirmations and reclassification for all Public Officers will be deferred for the 2020/2021 Budget year.

2)The Establishment (number of employees) in each Ministry will not increase. New hires will only occur in special circumstances with direct cabinet approval.

The Ministry of the Public Service

The Ministry of the Public Service is tasked with the processing of Human Recourse matters for the Public Sector. My Ministry ensures that the Public Service has firm administration of Human Resource policies, and that all Ministries are adequately staffed, equipped and operational, to meet the increasing

demands of delivering quality service. Secondly, the Ministry of the Public Service ensures the career advancement of public officers through continued training; providing functional office accommodations, and also for processing the payment of pensions and gratuities to persons who retire from the Public Service each year. The Ministry of Public Service and National Insurance continued to operate remotely and in office w.e.f. March 2020. Human Resource matters were processed and paid from the following items:

[Graphic 7]

March 2020 - June 2020	Global Provision – New appointments	\$3,114,916.00
July 2020 -September, 2020	Global Provision – New appointments	\$0.00
Total		\$3,114,916.00

[Graphic 8]

March 2020 - June 2020	Global Provision – Promotions, Reclassifications, 7(a) Increments, etc.	\$1,197,086.00
July 2020 -September, 2020	Global Provision – Promotions, Reclassifications, 7(a) Increments, etc.	\$0.00
Total		\$1,197,086.00

[Graphic 9]

March 2020 - June 2020	Special Employment Programme	\$4,901,356.00
July 2020 -September, 2020	Special Employment Programme	\$1,854,663.00
Total		\$6,756,019.00

[Graphic 10]

March 2020 - June 2020	Office Rent	\$10,598,304.00
July 2020 -September, 2020	Office Rent	\$4,002,195.00
Total		\$14,600,499.00

[Graphic 11]

March 2020 - June 2020	Lease Agreement NIB	\$8,090,552.00
July 2020 -September, 2020	Lease Agreement NIB	\$169,621.00
Total		\$8,260,173.00

[Graphic 12]

March 2020 - June 2020	Public Officials / Staff Gratuity	\$9,041,797.00
July 2020 -September, 2020	Public Officials / Staff Gratuity	\$1,740,464.00
Total		\$10,782,261.00

[Graphic 13]

March 2020 - June 2020	Pensions to Officials	\$37,387,186.00
July 2020 -September, 2020	Pensions to Officials	18,115,234.00

Total	\$55,502,420.00
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[Graphic 14]

March 2020 - June 2020	Insurance Premiums – Government Personnel	\$16,463,555.00
July 2020 -September, 2020	Insurance Premiums – Government Personnel	5,866,283.00
Total		<u>\$22,329,838.00</u>

**Total Expenditure for the Period:
March – 9 September, 2020 \$122,543,212.00**

□ Expenditure during the period March to September, 2020

TRAINING AND DEVELOPMENT

The training and development arm of the Ministry of the Public Service & National Insurance is known formally as the Public Service Centre for Human

Resource Development (PSCHRD). Covid-19 required the Director of Training to improve on normal training procedures, in order to achieve their Department's mandate. PSCHRD obtained the **ClickMeeting** software and was able to offer digital Webinars. The response was quite encouraging as officers are excited about accessing the courses anywhere, on any device. **[Graphic 15]**

To date, for the period **March to August**, we have offered fifty (50) training courses. In total, two

thousand, four hundred and seventy-seven (2,477) officers have accessed these courses.

In August, we were privileged to have Dr. Nikkiah Forbes, [Graphic 16] Consultant Physician and Director of the National HIV/AIDS & Infectious Diseases Programme facilitate a webinar on the topic COVID19 in the Workplace for the Public Service. The Webinar was also Live Streamed via the Ministry of the Public Service's Facebook page and can still be viewed from that site.

As we enter the new normal, we will continue to build and refine these new methods of service delivery, [Graphic 17] and we will continue to ensure that the Public Service is safe as we strive to deliver quality service to the Bahamian people.

NATIONAL INSURANCE BOARD

[Graphic 18]

Ladies and Gentlemen,

It gives me great pleasure to report on the activities of the National Insurance Board, whose mandate

includes providing partial income support to citizens and residents in times like these.

The last 6 months were extraordinary. Indeed, the National Insurance Board transformed its operations to safely serve its customers and to allow staff to carry out their functions. The operations of NIB continued, largely without interruption, throughout the pandemic. As such, NIB has been able to continue to carry out its mandate to provide the social safety net of partial income replacement during periods of work interruption.

During the past 6 months of the pandemic, NIB made more than 96 thousand disbursements of sickness,

maternity, injury, funeral, disablement, retirement, invalidity and survivors benefits and assistances payments totalling some \$36 million.

In the early stages of the pandemic, the monthly pension payments were paid early to provide much needed funds in the hands of beneficiaries and to inject some \$68.6 million into the economy.

Since the beginning of the COVID-19 pandemic some \$90 million has been paid in retirement benefits, grants and old age pensions. These numbers do not include unemployment payments.

Indeed, inclusive of Hurricane Dorian related unemployment payments, to date NIB has expended a total of \$176 million to Bahamians throughout the length and breadth of The Bahamas who has lost their jobs. The breakdown of this extraordinary amount of financial support is as follows:

[Graphic 19]

- NIB Unemployment Benefits for Dorian Survivors and the Government-Funded Dorian Extension programme - \$12.5 million paid out to over 4,191 claimants. Persons were paid at the rate of 50% of their insurable wage for a total of 26 weeks or 6 months.

- During the COVID-19 crisis, the Government-Funded Unemployment Assistance Programme for Self Employed persons - \$15.61 Million to just over 7,000 recipients. Recipients were paid \$200 per week for up to 12 weeks.
- Under the Government-Funded Unemployment Extension Programme which is currently underway - \$56.1 million have been paid to 30,788 person as of 11th October, 2020. This programme is still on-going for persons still unemployed due to the coronavirus pandemic. Persons were paid up to \$150 per week for an additional 13 weeks.

- The ordinary NIB Unemployment Benefit (UEB) for contributors to the NI Fund - \$91.6 million for just under 37,061 claimants. This programme is on-going for eligible beneficiaries. Beneficiaries are paid at the rate of 50% of the insurable wage for up to 13 weeks.
- The Government has now extended this programme until the end of the year and persons will be paid up to \$100 per week.

Operations and Preparations for COVID 19

My fellow Bahamians, and Members of the Media

Recognizing the potential impact of COVID 19 on its operations, NIB began its preparations in late

February 2020 by developing a COVID-19 Business Continuity system:

As a part of the business continuity plan, staff were redeployed to where the businesses needed them most, to register claims, respond to a large increase in customer queries and to adjudicate the unemployment programmes. In essence, NIB deployed its resources where it was needed most.

Customer interaction with NIB had to also change. Customers quickly became acquainted with completing and submitting claims entirely online using sign and fill applications to complete forms, and

to using new online portals to make application for assistance payments under the government-funded programmes. The use of the Employer Self Service Portal became a more and more important avenue for employers to submit contribution and make payments.

NIB also made a number of other changes:

For very first time, Unemployment Benefits were allowed to be paid via direct deposit rather than by cheque payments only. Secondly, as a safety measure and for better customer service delivery NIB moved cheque collection from its Headquarters to the Thomas A. Robinson Stadium. NIB recognized that

its Headquarters was not the best setup that allowed for physical distancing, particularly with the expected high volumes. NIB also allowed customers to receive unemployment payments via direct bank deposits for the first time to further reduce the need for cheque collection, and to quickly get much needed funds directly into the hands of unemployed persons. The far majority of customers opted for this direct method of payment, which is an important innovation for NIB to move to a safer contactless service.

I now wish to move on to recap each of the benefits and assistances in turn.

The NIB Unemployment Benefit

In terms of the regular NIB Unemployment Benefit programme - NIB has from 20th March to 11th October, 2020 processed over 37,000 unemployment claims and paid out approximately \$91.6 million during this time period. Over 21,000 of these claims have been settled through innovative arrangements with employers where NIB either (a) pays the employees the UEB payments through the employer under an MOU arrangement or (b) working with the employer which processes the payments for their furloughed staff directly as company batches through an expedited method. Additionally, some 13,000 claims

were processed in the V3 system, and about 3,000 claimants were paid via special cheque run.

Challenges

I wish to highlight some of the challenges that NIB had with the claims process that affected the range of benefits that NIB offers, and in particular the sickness and unemployment benefits that rely on more recent contribution records to determine the eligibility of the claimant.

Firstly, Compliance with the payment of contributions has been a challenge for NIB over the years. Companies, for a variety of reasons, have been in

arrears with NIB. The need for compliance became very clear, once their employees began to apply for unemployment benefits. NIB could not process these benefits without having the C10 records submitted and posted to employees' accounts. In instances where records were missing, companies were generally very helpful when Inspectors reached out for the necessary information. This did, however, affect the speed at which NIB was able to adjudicate the claims thus causing delays in making payments to unemployed persons.

In April of this year, after the start of the crisis, recognizing the possible delays caused by this

backlog, the Cabinet of The Bahamas approved a recommendation from NIB that allowed NIB to pay claims where the employer had recently submitted the necessary C10 records to NIB, even if the C10 information was not yet formally posted. This allowed for thousands of applications that were trapped in the posting queue to be quickly paid. NIB then only had to focus on claims where the company had not filed the contributions records.

This pandemic has caused each beneficiary of this ever important social security programme to understand the importance of paying their contributions, and to ensuring that both the records

and payments are submitted on time to NIB, delays in paying out benefits, particularly unemployment benefits have negative consequences.

It is my belief that Bahamians everywhere now better understand their rights, benefits and how the NIB claims process works given their experience during this pandemic.

NIB also found that many UEB claims were being suspended because the claimants were not verifying their continued unemployment or because

contributions continued to be paid on their behalf past their last day of work.

As required by law, UEB recipients are required to verify that they remain unemployed every 4 weeks. This is normally done by a visit in person to the Department of Labour.

In the initial stages of the UEB programme, The Bahamas was in a lockdown and so these verifications could not be done safely in person. As a result of this, new mechanisms were set up which allowed emailed verifications of continued unemployment and also the Department of Labour's

website allowed for verification. NIB found that, notwithstanding public announcements, claimants were not verifying their continued unemployment and so claims that were processed in the V3 systems were being suspended.

NIB's V3 system also suspended thousands of claims where it found contributions in the system past the reported last day of work. NIB's IT and Customer Service Departments worked to address this so that legitimate claims could be paid correctly.

Ladies and Gentlemen, it remains extremely important for all of us to inform NIB when you or your

staff have returned to work. We have to ensure that NIB pays out its financial resources only to those persons who are eligible for partial income replacement, and not to those who are gainfully employed. However, notifying NIB of the return to work of employees will go a long way in preventing such overpayments from occurring.

Government Unemployment Assistance (UEA)

The first of the Government-Funded Unemployment Assistance Programme for Self Employed persons has now generally concluded. This programme initially provided assistance for Jet Ski operators, Hair

Braiders, barbers etc, NIB's analysts ascertain that there were 9,381 unique applicants; of these approximately 7,235 were approved and paid. Some \$15.6 million was disbursed with the far majority going to bank accounts. About 2,224 were denied mainly due to the lack of required information, including a business licence in the case of the non-tourism related self-employed applicants.

As I have previously explained, with respect to the initial Government Unemployment Assistance Programme for the Self Employed, for those who are unbanked or have provided incorrect banking information, NIB has established a partnership with

Sun Cash Limited, a digital payments provider. However, under this programme the far majority of people received their payments via direct deposit and NIB issued a small number of cheques for those in the Family Islands.

Government Unemployment Extension

Programme

On 1st July, 2020 the Government introduced the Government-Funded Unemployment Extension programme recognizing that the economy would need more time to get back on track. As such, the

Government offered an assistance programme administered by NIB for up to 13 additional weeks paid at a rate of \$30 per day or \$150 per week.

The important innovation in this programme, as a result of conversations with the Chamber of Commerce and Employers Confederation and the Retailers Association, was to ensure that the system was flexible enough to allow for claimants who would be working for part of the week to receive partial prorated payments. The verification process confirms how many days the person was not working for each pay period, and then prorates the payment taking those days into account. Through consultation with

the business community, NIB recognized that employers were bringing staff back on rotations. I am grateful for the input of the business community in the design of this programme.

The Government Unemployment Extension Programme which is currently underway covers the following category of workers:

- Those who had completed the 13 weeks of regular NIB unemployment benefit payments and remained unemployed which is approximately 22,000 persons;
- Those who had concluded the Dorian Extension programme which is just under 1,000 persons;

- Those who had concluded the Government Unemployment Assistance Programme for Self Employed persons in certain sectors which is about 3,000 persons;
- Youth under the age of 35 who were disallowed under the regular UEB programme but had worked for at least 3 months which is about 1,000 persons.

To date, the Board has paid out just under \$56.1 million to these 30,000 claimants. For this project, NIB again introduced digital payments rather than an over reliance on cheque payments. To date the majority of the payments have been via MOU from the Employer to the NIB Recipient (\$20.8 million), Direct

Deposits to Bank Accounts (\$19.6 million), Digital Payment Providers (\$13.4 million) and cheque payments (\$2.3 million). These funds are to be reimbursed to NIB by the Government of The Bahamas.

While much attention has been paid to the various unemployment benefit and assistance programmes during my presentation, I would be remiss in not pointing out that the teams at NIB continued the processing and payment of new maternity, sickness, industrial injury, funeral, retirement, invalidity, survivors, and disablement benefits during the crisis. In some cases, the turnaround time for claims

processing was shortened. More than 1,000 new beneficiaries were added to the monthly pension payroll over the past 6 months and are now receiving their long term benefit payments. There are also a number of uncollected sickness, maternity, funeral and other benefit cheques still available at the Stadium in New Providence and at Family Island offices, and persons are encouraged to collect payments as soon as possible.

The Way Forward

NIB continues to work towards a return to normalcy, the pace of which is dependent on the COVID 19 crisis recovery. NIB's main priority has always been

carrying out its important mandate while ensuring a safe environment for its staff and customers.

NIB is a service organization and for years its operations have through been face to face interactions. COVID-19 changed that. NIB had to integrate more technology in order to serve the higher volumes of customers in a safe manner.

One special technology that NIB had re-launched earlier and is now fully deploying is the ESS or Employer Self Service Portal.

Since the March 20, 2020 when the emergency orders took effect, several hundred additional employers have registered for the ESS online portal. After additional programming, the portal is now back up and running and allows employers to easily manage their contributions payment accounts with NIB.

This COVID19 crisis has created an urgency for NIB to accelerate its plans to deploy more user friendly innovations, technology and methodologies to make interacting with NIB easier, and to facilitate improvement in customer service delivery.

Customers would have had a foretaste of what is to come, and through the shared experiences by both customers and NIB, the Board better understands what works, what is needed and how to adjust some of the projects ahead to modernize its operations. Customers can look forward to improved responses as a new telephone and Customer Contact Centre system has been implemented; and once more user friendly, online portals for benefit applications and improved communication platforms.

Ladies and Gentlemen,

The success at NIB, and in particular its COVID-19 response, comes from a team effort. Staff from across the Board have been pulled to work in various areas. Staff in all of the Family Islands are processing claims and posting contributions to respond to the volume of claims received at one time, which has never been seen before in the history of NIB. The NIB team has been on the front line from the start of the crisis and has not stopped yet. The gratitude for their hard work and dedication is commendable and appreciated.

Conclusion

I wish to end my report by assuring the people of this nation that My Ministry is working and will continue to work on your behalf.

We are a nation at war with an invisible enemy, but we are also a proud nation of overcomers.

Now is the time to embrace change as we enter “the new normal”. Our hope is that this pandemic has created the opportunity to modernize and transform the Public Sector, and build our technical capacity to meet the needs of a 21st Century Bahamas.

As we pay homage to all ‘essential workers’ and government agents who continue to work countless hours to ensure that the day to day functioning of the Government and its business continued, I am asking my fellow Bahamians to cooperate and be patient with us, as we work together to safely re-open our economy. Thank you for playing your part, and continue to follow the guidelines and regulations given by the Healthcare professionals. We will survive this Covid-19 pandemic, and we will return bigger and

better than ever, by God's grace. In the words of the old Negro spiritual, "Down in my heart, I do believe... We shall overcome, someday".

[VIDEO TRIBUTE TO FRONTLINE WORKERS]

[END]

Thank you.