

BERMUDA PUBLIC SERVICES UNION



POSITION PAPER

**RESPONSE TO THE GOVERNMENT'S
PROPOSED MODERNIZATION OF THE
PUBLIC SERVICE GOVERNANCE &
PAY STRUCTURE (2026)**

April 2026

BERMUDA PUBLIC SERVICES UNION (BPSU)



POSITION PAPER MODERNIZATION OF THE PUBLIC SERVICE GOVERNANCE & PAY STRUCTURE (2026)

This position paper was developed by the Bermuda Public Services Union to inform Members on the proposed modernization of the Public Service Governance and Pay Structure and to outline the Union's position.

NOTE: *These positions are not fixed and may be amended following further consultation with the Membership.*

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FOREWORD FROM THE PRESIDENT



The Bermuda Public Services Union has long stood as a steadfast advocate for fairness, equity, and the protection of Public Officers across Bermuda's Public Service. At a time of significant proposed reform, it is both our duty and responsibility to ensure that any changes to governance and compensation structures are carefully considered, transparently developed, and grounded in the principles of fairness and partnership.

The proposed modernization of the Public Service presents an opportunity to strengthen workforce systems and improve service delivery. However, it also represents a profound shift in how Public Officers are evaluated, compensated, and managed. Such changes must not be undertaken lightly, nor without the meaningful involvement of those most affected.

This position paper reflects the Union's considered response, informed by detailed analysis and the voices of our membership. The concerns outlined herein are not abstract; they are grounded in the lived experience of Public Officers and speak directly to issues of equity, transparency, accountability, and trust.

The Union is not opposed to reform. We are committed to modernization that enhances the Public Service and supports its workforce. However, reform must be done in a manner that safeguards employees, respects established industrial relations frameworks and ensures that no public officer is placed at a disadvantage.

We therefore call for a pause in implementation and a return to meaningful consultation. The future of the Public Service must be shaped through collaboration, not unilateral action.

The Bermuda Public Services Union remains ready to engage constructively with the Government to develop a system that is fair, effective, and sustainable for all.

Sis Nadine B. Henry, J.P.
President

FOREWORD FROM THE GENERAL SECRETARY

The proposed modernization of the Public Service governance and pay structure represents one of the most significant changes to terms and conditions of employment in recent years. As such, it is essential that these reforms are approached with clarity, transparency, and full compliance with established industrial relations processes.



From the outset, the Bermuda Public Services Union has engaged in a careful review of the information provided by the Government. While we acknowledge the stated intent to improve efficiency, recruitment, and workforce management, it is evident that key elements of the proposal remain insufficiently defined and not yet ready for implementation.

In particular, the proposed transition to a more rigorous performance-based pay progression system raises serious operational concerns. The absence of a finalized performance appraisal framework, clearly defined standards, independent oversight mechanisms, and formal appeal processes creates a system that is vulnerable to inconsistency and inequity.

Equally concerning is the manner in which these proposals have been advanced. The Union has not been afforded the level of meaningful consultation required under existing agreements, despite the fact that these reforms directly impact core employment conditions, including compensation, recruitment, discipline, and appeals.

This position paper reflects both a technical assessment of the proposal and the collective concerns of our membership. It is intended to provide a clear and structured basis for engagement, ensuring that any reform is grounded in fairness, accountability, and mutual respect.

The Union remains committed to constructive dialogue and to working collaboratively toward solutions that strengthen the Public Service while protecting the rights and interests of Public Officers.

However, it must be clearly stated: reforms of this magnitude must not proceed without proper consultation, defined safeguards, and agreement on implementation mechanisms.

Kevin Grant, MMHRM, CMgr., MCFI
General Secretary

OVERVIEW

The Government of Bermuda has introduced a proposal to modernize the Public Service pay structure, job evaluation system, and governance framework. The stated objectives of this initiative include improving recruitment and retention, enhancing efficiency and accountability, addressing perceived inequities across job groups, and aligning the Public Service with international best practices.

Pay Structure Changes

The Bermuda Public Services Union was invited to attend an orientation session regarding the proposal in December 2025. The Union was presented with a limited overview consisting of redacted slides outlining the changes related to pay structure only.

During that session, Union representatives immediately raised serious questions regarding the scope, impact, and implementation of the proposal. It was indicated by the presenters that the session was introductory only and that more detailed information would be provided at a later stage to facilitate engagement and inquiry.

The Union proceeded on the understanding that this initial introductory session would be followed by meaningful consultation supported by detailed analysis, modelling, and opportunities for input. However, it has become evident that the initiative is progressing without the depth of engagement that was anticipated.

Modernizing Governance

Further, on Wednesday, February 11, 2026, the Union was provided, via email, drafted legislative changes to the Public Service Commission Regulations 2001. Most concerning is that there had been no consultation whatsoever regarding these amendments to legislation that governs our largest bargaining unit.

The Union stands gravely concerned that the proposed changes reached such a critical level, in that parliamentary drafters have been engaged with zero consultation with the Union. This disregard for stakeholder collaboration from the onset goes against the principles of collective bargaining and the foundation of relational respect this Union has long regarded as paramount.

The information provided regarding both matters furthered through a webinar held in February 2026 against the expressed wishes of the Union, directly to our Members under the guise that collaboration had taken place, does not reflect a collaborative approach this Union has historically observed with the Head of the Public Service.

This has led to serious concerns that the proposals are now jointly being advanced wholly absent of consultation that puts Members, and by extension employees of the Public Service, at a disadvantage. Our Members face the threat of having their working conditions fundamentally altered with ramifications that fail to consider the risks at stake.

BPSU MEMBER COMMENT:

“The current presentation lacks evidence of collaborative and collective buy-in from employees and the respective bargaining agencies (BPSU, BUT, and BIU). A top-down implementation without genuine consultation risks undermining morale and trust.”

EXECUTIVE SUMMARY

The Bermuda Public Services Union (BPSU) recognizes the need to modernize the Public Service and acknowledges the Government’s stated objectives of improving recruitment, retention, efficiency, and overall service delivery.

However, the Union takes a firm and considered position that the current proposal, particularly the introduction of a performance-based pay progression system, is not fit for implementation in its present form.

This position is grounded in several critical concerns. The proposal has been advanced without meaningful consultation in accordance with established industrial relations frameworks. It relies heavily on performance appraisal mechanisms that are not yet fully defined, tested, or operational. There are no clearly articulated or enforceable safeguards to ensure fairness, consistency, or protection against bias. In addition, the model introduces a significant risk of internal inequity, particularly between existing employees and new hires. These concerns are not theoretical; they are reflected in widespread and consistent feedback from Members across the Public Service.

Taken together, these issues create a system that places employees at financial and professional risk, while undermining confidence in the integrity of the Public Service.

For these reasons, the Union calls for an immediate pause in implementation and a return to a structured, transparent, and consultative process through which a fair and workable system can be jointly developed.

BPSU MEMBER QUESTION:

“Have the respective unions been involved in the consultation process so, that it can be addressed to their membership?”

OVERVIEW AND CONTEXT

The Government has proposed reforms to governance, job evaluation, and pay structures to address workforce challenges and modernize the Public Service. The BPSU acknowledges these objectives. However, modernization must protect workers; not expose them to new risks.

SUMMARY OF THE PROPOSED CHANGES

1. Pay Structure Changes

Key Elements

- Significant pay structural changes across the Public Service.
- Seven-factor, competency-based job evaluation system.
- Standardized grade structure consisting of fifteen job levels.
- Replacement of relatively automatic salary increments over first three years' service with performance-based progression every two or three years.
- Ability to recruit new hires at salary scale up to five steps higher.

2. Modernizing Governance

Key Elements

- Fundamental changes to recruitment practices.
- Shifting of authority from centralized oversight structures to department-controlled recruitment.
- Shifting of authority from centralized oversight structures to department-led management processes, including disciplinary penalties and associated actions, such as administrative leave.

3. Timeline

The proposed implementation timeline anticipates transition to the new system between 2026 and 2027 for all Government workers, across three Unions (Bermuda Union of Teachers, Bermuda Industrial Union, Bermuda Public Services Union), beginning with positions represented by the Bermuda Public Services Union.

BPSU MEMBER QUESTION:

“Timeline & Communication: When will employees receive official documentation explaining their placement and progression path under the new system?”

HISTORIC ATTEMPTS TO IMPLEMENT PERFORMANCE-BASED PAY (“PBP”)

Provided by Former General Secretary, Bro. Edward Ball Jr.

1. Attempt by the First Head of the Civil Service, Mr. Stan Oliver:

Outcome - Failure of Substance by the Consultant (2000–2002)

Under the leadership of Sis. Betty Christopher (BPSU) and the first Head of the Civil Service Stan Oliver, the Government attempted to pivot the service toward a *meritocratic* pay model. The feasibility study by Mr. Doug Sousa of Expertise was famously criticized for its lack of operational details including:

- **The “Black Box/ Jennie out of a Box” Presentation:**
The study could not explain how a "Bonus Scheme" would fit into the rigid pay scales.
- **Lack of Advancement Logic:**
There was no clear ratio (the "Ratio Scale") to determine how much of a salary would be "at risk" versus "guaranteed," leading to deep-seated anxiety among officers about financial stability.

2. The Union’s Defensive Strategy: The Corning Model

To counter the proposal, the Union utilized research on the Corning Corporation, a global leader in glass and materials science.

- **The Corning Model Critique:** In the then GS Master’s thesis, he highlighted that while Corning Corp successfully used PBP, it was in a high-profit, high-stakes manufacturing environment.
- **The Mismatch:** Applying PBP to Bermuda meant trying to measure "Public Service" with "profit-making" metrics.
- The Union argued that this would lead to **cronyism** (subjective favors) and a decline in **public equity**, where officers might ignore difficult social cases to focus on "easy wins" that triggered bonuses.

3. Global Business Trends: The Great Abandonment

Since 2000 - 2002, the global business community has largely moved away from the 20th-century PBP model.

- **2010s–2020s:** Giants like Microsoft and GE abolished "Stack Ranking" (comparing employees against each other) because it destroyed collaboration.
- **2026 Reality:** A massive report in February 2026 suggests that "Peanut Butter" Pay Increases (standardized, flat-rate raises) are replacing performance reviews

at many firms. Why? Because annual reviews are now recognized as being heavily biased and poor predictors of actual business outcomes.

FINDINGS & OPINION:

4. PBP in 2026: Plus vs Minus

As of today, the "merit pay" debate has evolved into a debate about *Skill-Based Pay (SBP)*.

Feature	Performance-Based Pay (2000 Model)	Modern Skill-Based Pay (2026)
Focus	<i>What you did</i> (Subjective results)	<i>What you know</i> (Objective certifications)
Pros (+)	Rewards high effort; weed out "passengers."	Clear path to raises; rewards AI & tech literacy.
Cons (-)	Causes favoritism; budget "cap" issues.	May ignore actual work output; expensive training.
Union View	Rejected: Unfair and unworkable.	Neutral/Positive: Fairer if training is accessible.

5. The 2026 Status in Bermuda

In 2026, the Bermuda Government is focusing on modernizing job evaluation schemes rather than pure PBP.

- **Current Agreement (2024–2028):**
The recent deal struck with the BPSU and other Unions focuses on cost-of-living adjustments and "pay disparity" adjustments to catch up with 2014 baselines.
- The verdict as the Public Service attempts to sell PBP as a primary driver for the service should be effectively dead in 2026. It has been replaced by a focus on “Total Rewards Programme”.

6. Conclusion:

The Union’s historical stance in 2000 that PBP was a flawed corporate tool, has been validated by 26 years of global business history. In 2026, the "smart" money is on rewarding competence and skills rather than subjective performance scores.

BPSU BROAD ANALYSIS OF THE PROPOSAL

1. Public Service Independence Under Threat

The Union is gravely concerned about proposed amendments to Public Service regulations. The Union views these proposed amendments as a step in undermining the independence and protections of Public Officers by removing powers from the Public Service Commission and granting them to executive managers. These proposed changes create tiered protections based on rank, which we consider unfair, and raise constitutional concerns.

The recruitment process for Public Officers will be compromised, with the Department of Employee & Organizational Development improperly involved and an avenue for non-Bermudians to be hired despite local expertise being available. To be clear, this Union takes no issues against non-Bermudians as our Membership is shaped by the diversity of talents of our Members from around the globe. However, in any jurisdiction, local expertise in Public Service is an obligation that Public Service heads must keep to the forefront of any recruitment changes.

BPSU MEMBER QUESTION:

“Will the removal of the PSC from the process for grades above PS 28 will lead to increased risk of bias, patronage, and favouritism, and how will this be managed?”

2. Public Service Commission Regulatory Concerns

The Union has considered the lack of statutory basis and defined functions for the Head of the Public Service post, with emphasis as to its administrative limitations and the separation from the Cabinet Secretary role. The proposed amendments to the Public Service Commission regulations undermine the Commission's independent powers, and the implications of these changes include the potential for job losses and reduced protections for Public Officers, especially the provision that allows for dismissals and/or suspension without pay by positions as low as supervisors.

In addition, the Union takes notice that the proposed changes have been brought forth by the Head of the Public Service who is a subordinate of the regulations and should not have that authority. Any and all changes should be introduced and led independently by the Governor, with no interference, but rather collective and equal engagement of all stakeholders: Members of the Commission, The Head of the Public Service (and Deputy), and the Union.

3. Work Permit Process Reform Discussion

With the proposed changes, the Union takes note of the lack of a formal process for issuing work permits to certain professionals, such as lawyers, who are currently being processed through the Department of Employee & Organizational Development and outside of

immigration protocols. The implications of this practice highlight the need for a holistic regulatory framework to address unlawful hiring practices.

BPSU MEMBER QUESTION:

“Do non-Bermudians qualify for these promotions?”

4. Bermudian Worker Protection Concerns

The proposed regulations appear to undermine protections for Bermudian workers. The regulations treat non-Bermudian versus Bermudian employees equally during recruitment, despite different work permit statuses. At the same time, the Public Service Commission's role has been weakened, particularly regarding appointments and disciplinary matters, while succession planning and development plans are not properly implemented. The regulations also eliminate the requirement for full recruitment processes before considering external candidates, raising questions about the fairness of appointments and promotions.

5. Public Service Commission Recruitment Concerns

The Union takes note of the Public Service Commission's inherent independence and recruitment processes. The commission should control all aspects of recruitment, discipline, and removal. In the proposal, Category A appointments require global advertising, while Category B appointments can be filled internally. This system may be misunderstood or misused.

BPSU MEMBER COMMENT:

“Need clear written guidance of recruitment safeguards and oversight”

6. Flawed Aim at Modernization: Fix First What is Broken

The Bermuda Public Services Union recognizes the need for modernization within the Public Service and supports efforts to improve efficiency, recruitment, and service delivery. However, the Union has significant concerns regarding the design, implementation, and potential impact of the current proposal, particularly as it relates to the protection of Members, the preservation of equity, and the prevention of cronyism and favoritism that is already widespread within the Public Service. Further, these proposed amendments have the potential to fuel unaddressed bullying, harassment and incivility that is increasing at the management level and higher across the Public Service.

BPSU MEMBER QUESTION:

“Who holds Permanent Secretaries accountable for meeting key deadlines that could impact HODs and by extension, department's performance rating?”

KEY CONCERNS

The Union’s concerns are not isolated or speculative. They arise from a detailed review of the proposal, analysis of the supporting materials, and direct feedback from Members. Collectively, these concerns point to systemic risks within the design and implementation of the proposed framework that must be addressed before any progression to implementation.

1. Subjectivity & Bias

The proposed system places significant weight on performance appraisals as the primary determinant of salary progression. However, the framework that will govern these appraisals remains incomplete and unidentified.

At present, there are no clearly defined, universally applied standards for assessing performance across departments. The concept of “exceptional performance,” which is central to accelerated progression, has not been sufficiently defined in a way that ensures reasonableness, consistency and objectivity.

In the absence of standardized criteria, independent moderation mechanisms, and clear accountability structures, there is a substantial risk that performance outcomes, and by extension, pay outcomes, will vary based on managerial discretion, departmental culture, or subjective interpretation.

This undermines confidence in the system and exposes employees to inconsistent and potentially unfair treatment.

BPSU MEMBER COMMENT:

“Appraisals will affect progression, but employees are concerned about bias, inconsistent standards, late/missing appraisals, and the lack of clear safeguards/appeal processes.”

2. Internal Pay Inequity

The proposal introduces flexibility in recruitment by allowing new hires to enter at higher salary steps based on market conditions, qualifications, or the strategic importance of roles. While the Union recognizes the need to remain competitive in attracting talent, this flexibility is not matched by corresponding safeguards to protect existing employees.

There is currently no clear commitment to:

- review internal equity where higher entry points are applied,
- adjust the salaries of existing employees performing comparable roles, or
- prevent the emergence of disparities within the same grade level.

Without such measures, the system risks creating a two-tier workforce in which long serving and experienced employees are financially disadvantaged relative to new entrants. This outcome would be fundamentally inconsistent with the principle of equal pay for equal work and would significantly erode morale.

BPSU MEMBER QUESTIONS:

“Is it possible under the new model for new hires to enter a role at a higher salary than current employees in the same job? If so, what measures will be taken to address internal equity?”

“Is it possible that an employee could move the pay steps to the point where they earn more than their supervisor or manager?”

3. Loss of Predictable Progression

Under the current framework, structured progression provides employees with a degree of predictability and financial stability over the course of their careers. The proposed model removes this structure and replaces it with a system in which progression is contingent upon performance ratings that may vary across departments and managers.

While performance should be recognized, the complete removal of predictable progression introduces a level of uncertainty that is neither necessary nor desirable in a public sector environment.

Employees may find themselves:

- remaining at the same salary step for extended periods,
- unable to progress despite consistent and competent performance, or
- dependent on achieving “exceptional” ratings that may be difficult to attain or inconsistently applied.

BPSU MEMBER QUESTION:

“What happens if you do your job well but are never rated ‘exceptional’?”

EVIDENCE-BASED RISKS OF PERFORMANCE-BASED COMPENSATION MODELS

The concerns raised by the Union and its Membership are not unique to this proposal. International experience and public sector research have consistently identified significant risks associated with performance-based pay systems, particularly where such systems lack clearly defined standards, robust oversight, and equity safeguards.

Where performance-based compensation frameworks are implemented without these protections, several predictable outcomes have been observed.

1. Increased Perception of Bias & Reduced Trust

Performance-based systems that rely heavily on managerial assessment, without strong moderation and transparency, often lead to perceptions of favoritism or bias.

Even where bias is not intentional, the absence of clear and consistently applied standards creates the perception that outcomes are influenced by:

- personal relationships,
- managerial preference, or,
- subjective judgment.

This perception alone is sufficient to erode trust in the system.

Research and public sector case studies have shown that where employees perceive performance evaluations as unfair, overall engagement declines and confidence in leadership is significantly weakened.

BPSU MEMBER COMMENTS:

"I am concerned about how performance will be judged. Performance reviews can sometimes feel subjective, and staff may worry that outcomes depend too much on personal views rather than clear, measurable results."

"Concern about favoritism/nepotism/patronage and what oversight, audits, and complaint processes will exist."

2. Inconsistent Application Across Departments

In decentralized systems, performance-based pay is often applied unevenly across departments.

Without centralized calibration, cross-departmental moderation, and standardized evaluation tools, employees performing similar roles may receive different outcomes based solely on the practices of individual managers or departments.

This undermines internal equity, organizational cohesion, and the principle of equal treatment across the Public Service.

BPSU MEMBER COMMENT:

“Fairness across departments: concern that local management culture or inconsistent practices could affect progression and opportunities.”

3. Pay Inequity and Compression

Performance-based progression, when combined with flexible hiring practices, can create significant pay disparities. Common outcomes include:

- new hires earning more than experienced employees,
- employees within the same grade receiving materially different salaries, and,
- long-serving employees falling behind due to inconsistent progression.

These dynamics contribute to:

- dissatisfaction,
- retention challenges, and,
- perceptions of unfairness.

BPSU MEMBER QUESTIONS:

“Pay Alignment: Can new hires be placed at higher salaries than current staff in the same role? If so, how will internal equity be addressed?”

“The revised pay grade framework appears vulnerable to misuse, such as managers awarding unearned exceptional ratings to favored staff or using ratings as a means to appease difficult employees.”

4. Rating Inflation and System Manipulation

Where pay is directly linked to performance ratings, there is a documented tendency toward:

- **rating inflation:** managers awarding higher ratings to support staff morale or avoid conflict, or
- **rating suppression:** managers limiting ratings due to budget constraints or internal pressures.

Over time, this distorts the credibility of the system and weakens its intended purpose.

BPSU MEMBER COMMENTS:

“If employees are able to move ahead in salary beyond their supervisors, this could create tension within teams and lead to dissatisfaction. People generally expect that increased responsibility at management level should be reflected in pay. Clear supervisory pay gaps are important not only for organizational structure but also for maintaining confidence in leadership roles.”

“Department Heads, Section Heads, and Managers blocking or limiting access to career development opportunities, negatively impacting morale, retention, and resulting in the loss of skilled and dedicated employees to the private sector.”

5. Reduced Collaboration and Workplace Cohesion

Performance-based pay systems can unintentionally create competition among employees, particularly where rewards are limited or unevenly distributed. This may lead to:

- reduced teamwork
- reluctance to share knowledge
- internal competition rather than collaboration

In a Public Service environment, where effective service delivery depends on cooperation, this represents a significant operational risk.

BPSU MEMBER COMMENT:

“I would like to raise a concern about how this new pay progression system might affect staff morale and working relationships.”

6. Disproportionate Impact on Certain Employee Groups

Research has also shown that subjective performance systems can disproportionately impact certain groups, including:

- employees in less visible roles
- employees without access to high-profile assignments

- employees required to complete rote/repeated tasks
- employees in departments with weaker management practices

This can lead to systemic inequities that are difficult to detect and correct without robust oversight mechanisms.

BPSU MEMBER QUESTION:

“If all job descriptions are not up to date some haven’t been reviewed in 10+ years in some areas) how can they appropriately and fairly evaluated to align with the proposed structure?”

7. Weak Link Between Performance Pay & Actual Performance Improvement

Importantly, evidence from public sector reforms globally indicates that performance-based pay does not consistently lead to improved performance outcomes.

Where systems lack clarity, fairness and credibility, employees are more likely to disengage from the process rather than be motivated by it.

The risks outlined above closely mirror the concerns expressed by Members of the Bermuda Public Service. This alignment reinforces the Union’s position that the current proposal, without clearly defined safeguards and structures, is likely to produce these same outcomes. As such, these risks must be addressed proactively rather than retrospectively.

BPSU MEMBER COMMENT:

“Rewarding employees with a bonus payment simply for completing probation is unreasonable and undermines the purpose of probation itself. It creates the appearance of Government attempting to incentivize basic job completion, which diminishes the credibility of the overall pay and progression framework.”

MEMBER CONSULTATION FINDINGS

The Union invited Members to submit questions and concerns regarding the proposal and received over **125 submissions**.

The feedback reveals consistent and widespread concern across the following areas:

- **Lack of trust in appraisal-based pay**, including fears of bias and inconsistency
- **Internal equity concerns**, particularly between new hires and existing staff
- **Lack of clarity**, including undefined performance standards and progression rules
- **Uncertainty regarding transition**, including placement, grandfathering, and appeals
- **Limited career pathways**, especially in departments with few promotion opportunities

The consistency of these concerns demonstrates that the risks identified are real, widespread, and deeply felt across the Public Service

BPSU MEMBER COMMENT:

“Transparency and consultation: employees want clarity on what is already final versus what is still under consultation, and a clear written policy package before implementation.”

BPSU PRELIMINARY RESPONSE TO THE PROPOSAL

The limited and high-level information provided to date does not meet the standard required for meaningful consultation and effectively prevents the Union from fully understanding or evaluating the implications of the proposal for current and future Public Officers. This lack of transparency places Members at risk, as decisions may be made without full appreciation of their financial and professional impact.

The proposed shift from automatic salary progression to performance-based advancement introduces financial uncertainty and exposes Members to subjective assessment processes that may vary across departments. Without clear safeguards, this system has the potential to disadvantage Members, undermine fairness, and erode confidence in the integrity of the Public Service.

The decentralization of recruitment and management authority weakens independent oversight and increases the risk of inconsistent and inequitable decision-making. The introduction of differing conditions for existing and new employees creates the potential for a two-tier workforce, undermining the principle of equal pay for equal work and eroding equity across the service.

The absence of detailed information regarding salary impacts, job reclassification, and pension implications prevents Members from understanding the full consequences of the proposal. The accelerated implementation timeline further increases the risk of unintended harm to Members.

From what is currently understood, the direction and intent behind these changes pose real risks to established protections, due process, and the overall security of Public Officers. If allowed to proceed unchecked, the consequences for workers could be deep, lasting, and difficult to reverse. This matter cannot wait.

The Union's initial correspondence to the Head of the Public Service clearly set out serious concerns about the process surrounding:

- The Job Evaluation and Grade Structure transition;
- Amendments to the PSC Regulations; and,
- Broader structural reforms impacting Public Officers.

Our concern has never been about pay increases. To make it abundantly clear, the Union does not oppose improving the pay scale model for officers. Conversely, we strongly oppose any process that:

- Bypasses structured Union consultation;
- Creates confusion among Members;
- Positions employees to engage directly on matters that affect negotiated terms and conditions; and,

- Moves ahead before procedural safeguards are agreed.

The webinar, framed as “commencing dialogue” with employees, was problematic. When bargaining heads engage employees directly on proposed evaluation systems and income progression frameworks before the Union has completed its due diligence, the risks are detrimental. They follow a path that:

- Undermines the Union’s representative role;
- Creates the perception that employees can negotiate or shape pay structures outside collective processes;
- Weakens the Union’s bargaining authority; and,
- Fragments messaging across the Service.

That is not a small issue. Even if implementation has not been confirmed, the sequencing matters. Consultation with the bargaining agent must precede broad employee engagement where matters directly or indirectly affect grading, earnings progression, role evaluation, and career mobility frameworks.

Our request to pause the webinar was reasonable. It was not obstruction. It was governance discipline. The position taken to proceed with the webinar suggests that because consultation is “in channel,” the employer may proceed with Service-wide engagement. We strongly refute this as such action erodes the spirit of Article 27 or the broader principle of good faith consultation and collective protections under the guise of modernization.

There is also a strategic risk. If Members are presented with projected income opportunities without clarity on evaluation mechanics, appeals processes, transitional protections, or risk exposure, expectations will be raised without safeguards. This preliminary response does not capture the entire genesis of concerns but rather provides a condensed overview of some of the main issues. Once the Union has been properly engaged, we will express our comprehensive concerns at the consultation table.

The Union recognizes these matters are crucial and as such, a special task force has been approved by the General Council, with an aim to focus solely on the proposals and representing the interest of our Members.

BPSU MEMBER COMMENT:

“Retention Risks: Failure to address these structural issues—specifically the misalignment between government-wide salary scales and specific departmental needs or specialized qualifications—directly leads to retention loss. We cannot remain competitive if our pay structures do not reflect the specialized competencies required in modern governance. If the government pays a CPA the same as a generalist HR officer, they will struggle to hire or keep accountants who can earn significantly more in the private sector.”

BPSU POSITION & CALL TO ACTION

POSITION

- ✓ The Union supports modernization of the Public Service and recognizes the need for reform.
- ✓ The Union's position is that modernization must protect the rights, equity, and financial security of Public Officers and must not result in any form of detriment to its Members.
- ✓ The Union maintains that no reform should lead to the erosion of established protections, the introduction of inequity, or the financial disadvantage of current or future Public Officers.
- ✓ The current proposal exposes Members to risk, lacks sufficient safeguards, and fails to ensure fairness and equity across the Public Service.

As such, the Bermuda Public Services Union cannot support the proposal in its current form.

CALL TO ACTION

- ✓ The Union calls on the Head of the Public Service to immediately halt any further action on the implementation of this initiative and to revert to the established industrial relations framework by engaging the Union in full and proper consultation.
- ✓ Proper consultation must include the provision of detailed information, impact assessments, and a genuine opportunity for the Union to influence the design and implementation of the reforms.

Anything less than proper consultation risks undermining trust, destabilizing the workforce, and compromising the long-term effectiveness and integrity of the Public Service.

Recommendations

1. The Bermuda Public Services Union calls for an immediate pause in the implementation of the proposed reforms to prevent potential detriment to Members.
2. The Union calls for the establishment of a formal consultation framework supported by full disclosure of data, modelling, and projected impacts. There must be guarantees that no public officer will be financially disadvantaged and that equity across the service is preserved.
3. Strong governance and oversight mechanisms must be maintained, and any reforms must be implemented in a phased and piloted manner.

RECAP SUMMARY (FOR MEMBERS)

- Key concerns include the lack of meaningful consultation with the Union, insufficient detail on pay, pensions, and job impacts, the risk of financial disadvantage to Members, increased reliance on subjective performance evaluations, weakening of oversight and protections, and the creation of a two-tier workforce.
- The BPSU's position is that modernization must not disadvantage Members and must protect fairness, equity, and financial security across the Public Service.
- The Union calls for an immediate halt to implementation, full and proper consultation, complete transparency, and guarantees that no Member is worse off.
- The bottom line is clear: modernization must strengthen not weaken the Public Service, and it must be done with workers, not to workers.

APPENDIX

Sources of Information

This position paper is informed by the following sources:

- The Government of Bermuda’s “*Modernization of the Public Service Governance and Pay Structure*” presentation and supporting materials;
- Information presented during the Bermuda Public Services Union orientation session in December 2025;
- Formal and informal communications received from the Government following the initial orientation session, including supplementary materials, briefings, and related correspondence pertaining to the proposed modernization initiative;
- Existing Public Service governance frameworks, policies, and compensation structures currently in force;
- Applicable collective bargaining agreements and established terms and conditions of employment governing Public Officers.

BASIS FOR UNION RATIONALE

The positions and analysis set out in this document are grounded in the following principles and considerations:

- The obligation to protect Members from financial disadvantage, inequitable treatment, and the erosion of established employment protections;
- The preservation of equity, including the principle of equal pay for equal work and consistency in treatment across the Public Service;
- Established standards of fairness, transparency, and accountability in public sector employment and administration;
- The necessity of independent oversight mechanisms to ensure consistency and mitigate the risk of bias or arbitrary decision-making;
- The importance of predictable, structured, and equitable compensation systems that provide financial stability for Public Officers;
- The Union’s statutory and representative duty to safeguard the rights, interests, and working conditions of its Members; and,
- Issues, concerns, and risks identified through Union review of the proposal and engagement during the orientation session.

This Appendix reflects the Bermuda Public Services Union’s commitment to evidence-based advocacy and ensures that the positions articulated in this paper are grounded in both the available information and the established principles governing fair and equitable public sector employment.

