

## CAYMAN ISLANDS LEGISLATIVE ASSEMBLY

## OFFICIAL HANSARD REPORT ELECTRONIC VERSION

### **2014/15 SESSION**

### 15 April 2015

First Sitting of the Fifth Meeting (pages 789-828)

## Hon Juliana O'Connor-Connolly, JP, MLA Speaker

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#### PRESENT WERE:

#### **SPEAKER**

Hon Juliana Y O'Connor- Connolly Speaker of the Legislative Assembly

#### MINISTERS OF THE CABINET

Hon Alden McLaughlin, MBE, JP, MLA

The Premier, Minister of Home and Community Affairs
Hon Moses I Kirkconnell, JP, MLA

Deputy Premier, Minister of District Administration,

Tourism and Transport

Hon D Kurt Tibbetts, OBE, JP, MLA Minister of Planning, Lands, Agriculture, Housing and

Infrastructure

Hon Marco S Archer, JP, MLA
Minister of Finance and Economic Development
Hon Osbourne V Bodden, JP, MLA
Minister of Health, Sports, Youth and Culture

Hon G Wayne Panton, JP, MLA
Minister of Financial Services, Commerce and Environment
Hon Tara A Rivers, JP, MLA
Minister of Education, Employment and Gender Affairs

#### EX OFFICIO MEMBERS OF THE CABINET

Hon Franz I Manderson Cert. Hon., IP Deputy Governor, ex officio Member responsible for the

Civil Service

Hon Samuel W Bulgin, QC, JP Attorney General, ex officio Member responsible for

Legal Affairs

#### **ELECTED MEMBERS**

#### **GOVERNMENT BACKBENCHERS**

Hon Anthony S Eden, OBE, JP, MLA

Mr Roy McTaggart, JP, MLA

Mr Alva H Suckoo, MLA

Mr Winston C Connolly, Jr, MLA

Mr Joseph X Hew, MLA

Deputy Speaker, First Elected Member for Bodden Town
Second Elected Member for George Town
Fourth Elected Member for George Town
Sixth Elected Member for George Town

#### **OPPOSITION MEMBERS**

Hon. W. McKeeva Bush, OBE, JP, MLA

Leader of the Opposition, First Elected Member for

West Bay

Mr Bernie A Bush, MLA

Capt A Eugene Ebanks, JP, MLA

Third Elected Member for West Bay
Fourth Elected Member for West Bay

#### **INDEPENDENT MEMBERS**

Mr D Ezzard Miller, JP, MLA Elected Member for North Side Mr V Arden McLean, JP, MLA Elected Member for East End

# OFFICIAL HANSARD REPORT FIFTH MEETING 2014/15 SESSION WEDNESDAY 15 APRIL 2015 10:35 AM First Sitting

[Hon. Juliana Y. O'Connor-Connolly, Speaker, presiding]

The Speaker: Good morning.

I will call on the Honourable Minister responsible for Education, Employment and Gender Affairs to grace us with prayers this morning.

#### **PRAYERS**

Hon. Tara A. Rivers, Minister responsible for Education, Employment and Gender Affairs: Let us pray.

Almighty God, from whom all wisdom and power are derived: We beseech Thee so to direct and prosper the deliberations of the Legislative Assembly now assembled, that all things may be ordered upon the best and surest foundations for the glory of Thy Name and for the safety, honour and welfare of the people of these Islands.

Bless our Sovereign Lady, Queen Elizabeth II; Philip, Duke of Edinburgh; Charles, Prince of Wales; and all the Royal Family. Give grace to all who exercise authority in our Commonwealth, that peace and happiness, truth and justice, religion and piety may be established among us. Especially we pray for the Governor of our Islands, the Speaker of the Legislative Assembly, Official Members and Ministers of Cabinet and Members of the Legislative Assembly, that we may be enabled faithfully to perform the responsible duties of our high office. All this we ask for Thy great Name's sake.

Let us say The Lord's Prayer together: Our Father, who art in Heaven, Hallowed be Thy Name. Thy Kingdom come, Thy will be done on earth as it is in Heaven. Give us this day our daily bread, and forgive us our trespasses, as we forgive those who trespass against us. Lead us not into temptation, but deliver us from evil. For Thine is the Kingdom, the power and the glory, forever and ever. Amen.

The Lord bless us and keep us. The Lord make His face shine upon us and be gracious unto us. The Lord lift up the light of His countenance upon us and give us peace, now and always. Amen.

The Speaker: Please be seated.

#### READING BY THE HONOURABLE SPEAKER OF MESSAGES AND ANNOUNCEMENTS

#### **CPA ANNUAL GENERAL MEETING**

**The Speaker:** By way of announcements from the Chair, the Annual General Meeting for the CPA was held yesterday afternoon and it was decided by unanimous support for the membership during the past two years to continue for the next two years.

## PRESENTATION OF PAPERS AND OF REPORTS

#### FINANCIAL REPORTING AUTHORITY (CAYMAN)— PORTFOLIO OF LEGAL AFFAIRS, ANNUAL REPORT 2013/14

The Speaker: Before I call on the Honourable Attorney General, out of an abundance of caution let me just say that there was a quorum yesterday. The quorum was seven, and seven were present. I neednot say any more on that.

Honourable Attorney General.

The Attorney General, Hon. Samuel W. Bulgin: Thank you, Madam Speaker.

Madam Speaker I seek the leave of the House to lay on the Table the Financial Reporting Authority Annual Report for the period 2013/14.

The Speaker: So ordered.

Would the Honourable Attorney General wish to speak to his report?

The Attorney General, Hon. Samuel W. Bulgin: Madam Speaker, just to say that the report itself is quite comprehensive and is basically largely self-explanatory. And I would just read, with your leave, the first paragraph of the Message from the Director which sort of summarises the activities when he says, Madam Speaker, and I quote:

"This year, 2013/2014, marks the eleventh reporting period for the FRA. The year has seen a significant increase in the number of suspicious activity reports (SARs) when compared to the previous year. There were 558 cases reported, and admittedly, such large numbers posed an uphill challenge to the analytical staff. However, it is nonetheless gratifying to note that the vigilance of the reporting entities has not waned and this creates a hostile environment for those who are de-

## sirous of using our jurisdiction for their criminal activities and enrichment."

And so, Madam Speaker, with those wise observations from the Director, I commend the Report to this honourable House and members of the public at large.

Thank you.

The Speaker: Thank you.

#### GOVERNMENT OF THE CAYMAN ISLANDS— PORTFOLIO OF LEGAL AFFAIRS ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2012

**The Speaker:** I once again recognise the Honourable Attorney General.

## The Attorney General, Hon. Samuel W. Bulgin: Thank you, Madam Speaker.

Madam Speaker, with the leave of this House I beg to lay on the Table the Annual Report Financial Statements for the Portfolio of Legal Affairs for the period ending 30<sup>th</sup> June 2012.

The Speaker: So ordered.

Does the Honourable Member wish to speak to it?

## The Attorney General, Hon. Samuel W. Bulgin: Thank you.

Madam Speaker, just to say that I think the Honourable Members will note that it says period 2012. The truth is that the Report itself was done on time and was approved by Cabinet but, of course, there was a bit of oversight and somewhere, somehow it fell through the cracks and so it is just being brought to the House. My apologies, on behalf of the Portfolio staff for the late laving of this Report.

The Speaker: Thank you.

#### GOVERNMENT OF THE CAYMAN ISLANDS— JUDICIAL ADMINISTRATION, FINANCIAL STATEMENTS FOR THE 30<sup>TH</sup> JUNE 2014

The Speaker: Honourable Attorney General?

## The Attorney General, Hon. Samuel W. Bulgin: Thank you, Madam Speaker.

Madam Speaker, I seek the leave of the House to lay on the Table of this House the Annual Report and Financial Statement for the Judicial Administration for the period ending 30<sup>th</sup> June 2014.

The Speaker: So ordered.

Does the Honourable Member wish to speak to it?

The Attorney General, Hon. Samuel W. Bulgin: No, Madam Speaker. The Report itself is quite self-explanatory.

Thank you.

The Speaker: Thank you.

## CIVIL AVIATION AUTHORITY OF THE CAYMAN ISLANDS 2013/14 ANNUAL REPORT

**The Speaker:** I recognise the Honourable Deputy Governor.

**The Deputy Governor, Hon. Franz I. Manderson:** Thank you, Madam Speaker, and good morning.

The Speaker: Good morning.

The Deputy Governor, Hon. Franz I. Manderson: I beg to lay on the Table of this honourable House the Annual Report of the Civil Aviation Authority of the Cayman Islands as at the 30<sup>th</sup> June 2014.

The Speaker: So ordered.

Does the Honourable Deputy Governor wish to speak to his Report?

## The Deputy Governor, Hon. Franz I. Manderson: Thank you, Madam Speaker.

Just briefly I would offer a brief explanation on the components of the Annual Report and then speak briefly to the specifics of the Financial Statements as of June 2014.

Madam Speaker, the 2013/14 financial year was another successful year for the Authority that culminated in the highest net income ever realised at the Authority. This result is testament to the prudent management of the Authority's finances and the commitment and dedication of its employees.

While there are many factors beyond the control of the Authority that could influence its financial performance, management has been diligent in its approach to ensure that efficiencies and service levels are optimised through training, IT implementation, and upgrades, also adherence to sound regulatory standards and appropriate staff recognition and incentives.

The audited financial statements just tabled consist of the statement of financial position, the statement of comprehensive income, the statement of cash flows, the statement of changes in equity, and the notes to the financial statement. The CAACI equity for the fiscal year ended 30<sup>th</sup> June 2014 indicate that net assets of the organisation have increased by CI\$269,000 or 6 per cent. The net worth of the CAACI stood at \$4.89 million as of 30<sup>th</sup> of June 2014. Operating activity during the year ended 30<sup>th</sup> of June 2014, Madam Speaker, in terms of operating activity of the CAACI during the fiscal year ended 30<sup>th</sup> of June 2014, the following summary is provided.

The CAACI produced total revenues of CI\$6.92 million, incurred total expenses of CI\$3.89 million, generating an operating surplus in the amount of CI\$3.0 million before its re-measurement of the post-employment benefit obligation, which resulted in a total comprehensive income for the year of CI\$2.8 million.

Madam Speaker, in relation to the Auditor General's opinion, the Auditor General has issued a qualified opinion on the financial position of the CAACI. The sole qualification relates to certain elements of the actuarial evaluation of the defined benefit obligation, which is in dispute. Save for that sole qualification, Madam Speaker, the Auditor General has stated that the financial statements present fairly in all material respects the financial position of the Civil Aviation Authority of the Cayman Islands as of 30<sup>th</sup> June 2014.

Thank you.

## CAYMAN ISLANDS HUMAN RIGHTS COMMISSION—ANNUAL REPORT 2014

**The Speaker:** I recognise the Honourable Deputy Governor and I just wish to ask whether or not this Report has gone out public.

The Deputy Governor, Hon. Franz I. Manderson: Yes, Madam Speaker, I was informed by the Chair of the Authority that because of the delays they felt in the Report being tabled, which was out of our control, that they had gone ahead and released it. We have subsequently spoken to them about that.

**The Speaker:** Much appreciated. It saves me from having to make a statement thereon.

The Deputy Governor, Hon. Franz I. Manderson: Yes, Ma'am, that should not happen again.

Madam Speaker, I beg to lay on the Table of this honourable House the Fifth Report of the Human Rights Commission, which covers the period 1<sup>st</sup> of January 2014, through the 31<sup>st</sup> December 2014 in line with its constitutional mandate in section 116(8) of the Cayman Islands Constitution Order 2009.

The Speaker: So ordered.

Would the Honourable Deputy Governor wish to speak on this Report?

## The Deputy Governor, Hon. Franz I. Manderson: Yes, Ma'am. Thank you.

A brief overview of the Fifth Annual Report: The 2014 reporting year saw the Commission focus on issues such as the protection of privacy, preservation of private and family life, and a reinforcement of the absolute stance against inhumane and degrading treatment.

The Commission also works diligently to continue to review local draft legislation as well as various policies and procedures of the Cayman Islands Government to ensure compliance with the Bill of Rights.

During the reporting year the HRC received 18 complaints from members of the public alleging breaches by public officials of their human rights. The Commission reviewed and closed 15 of those complaints and continues to work toward resolving the remaining complaints through liaison with the relevant public authorities.

During this reporting period, four new members were appointed to the Human Rights Commission. Those include James Austin Smith, Chelsea Frazier Rivers, Lisa Hurlston-McKenzie, and Reverend Donovan Myers, bringing various elements of expertise from many sectors of the community which work together to enhance the effectiveness of the HRC.

In addition, I would like to thank the outgoing Chairman, Mr. Alistair Walters, for having served on the Commission for the past five years.

I encourage Members of the House and the public to familiarise themselves with the contents of the Report, which is available online at the Human Rights Commission's website.

Thank you, Madam Speaker.

The Speaker: Thank you.

#### CAYMAN ISLANDS MONETARY AUTHORITY— ANNUAL REPORT 2014

**The Speaker:** I recognise the Honourable Minister responsible for Financial Services.

Hon. G. Wayne Panton, Minister of Financial Services, Commerce and Environment: Thank you, Madam Speaker.

Madam Speaker, I beg to lay on the Table of this honourable House the Annual Report of the Cayman Islands Monetary Authority for the year ended 30<sup>th</sup> June 2014.

The Speaker: So ordered.

Does the Honourable Minister wish to speak to his Report?

**Hon. G. Wayne Panton:** Yes, Madam Speaker. Thank you very much.

Madam Speaker, the Annual Report tabled for the Cayman Islands Monetary Authority is comprised of three sections: an industry overview, organisational developments, and the Authority's audited financial statements as at 30 June 2014.

In terms of financial performance, Madam Speaker, dealing with that first, the Authority's net income for the 2013/14 financial year was \$0.684 mil-

lion, which was allocated to CIMA's capital expenditures, reserves, and general reserves.

Total assets as at 30 June 2014 were CI\$118,228,000, which was up from the 2013 figure of \$111,604,000. This amount includes currency reserves of CI\$102,624,000.

Total liabilities at 30 June 2014 equalled \$94,956,000, which was an increase from \$89,016,000 in 2013.

Total reserves were CI\$20,944,000; an increase from the 2013 figure of \$20,260,000.

Contributed capital, Madam Speaker, remained the same at \$2,328,000.

Madam Speaker, the Authority collected \$106,832,000 in fees from regulated entities on behalf of the Cayman Islands Government for the 2013/14 financial year and this reflected an increase from \$101,659,000 for the prior year and represented new revenue measures which had been implemented by the Government in 2012/13.

The currency in circulation, Madam Speaker, as at 30<sup>th</sup> June 2014 was \$91,720,000 and this represents a 5.2 per cent increase over the previous year, which was \$87,200,000. The currency reserves exceeded currency in circulation by approximately \$10.9 million.

The Auditor General, Madam Speaker, has issued an unqualified opinion in respect of the financial position of the Cayman Islands Monetary Authority as at 30 June 2014.

Madam Speaker, in terms of the industry overview, efforts continued during the year 2013/14 to strengthen and enhance the regulatory framework governing financial services and the industry in the Cayman Islands. The regulatory policies for licensing banks and money services businesses were revised and a Directors Registration and Licensing Law was enacted, as Members will know. The Authority had initially anticipated collections from the Directors Registration and Licensing Law to be CI\$11 million per calendar year. And, at the completion of the audit, this figure was revised downwards to \$9 million. The initial payment dates under the Directors Registration and Licensing Law were the 3<sup>rd</sup> of September 2014 and the 3<sup>rd</sup> of December 2014. Based on the annual collections for the 2014 calendar year, the Authority currently estimates that this figure may have to be further revised from \$9 million to \$7 million.

Madam Speaker, in relation to captive insurance companies, the Cayman Islands remain the second largest domicile and the jurisdiction is number one for the domicile for healthcare captives. Twenty-eight new entities were added during the fiscal year. And the number of insurance companies in total stood at 764 as at 30<sup>th</sup> June 2014, with premiums equalling \$12.3 billion and total assets equalling \$54.9 billion.

In relation to funds, Madam Speaker, despite the decline in new fund authorisations since the credit crisis in 2008, the funds industry remains healthy with 11,296 total funds registered as at 30<sup>th</sup> June 2014, compared to 11,209 as at 30<sup>th</sup> June 2013. The total funds as at June 2014 include 2,676 master funds that are registered as a direct result of the Mutual Funds Amendment Law 2012.

In relation to trust and corporate and company management services, Madam Speaker, the Cayman Islands remains a leading jurisdiction from which trust and company management services are provided. There were 132 licensed trust companies as at 30<sup>th</sup> June 2014. In respect of restricted trust licensees and trust companies there were 65. Nominee trust licensees were 56, and controlled subsidiaries were 43. There were a total of 91 private trust companies as at June 2014, with 13 in total being registered during that fiscal year.

In relation to banks, Madam Speaker, the total banking sector assets as at June 2014 stood at \$1.399 trillion and liabilities at \$1.441 trillion. Domestic assets were \$34 billion and liabilities were \$60 billion. As at June 2014, the jurisdiction ranked sixth internationally in terms of external cross-border assets, with that number being \$1.365 trillion; and fifth by external cross-border liabilities, with that number being at \$1.347 trillion, booked from the Cayman Islands.

Madam Speaker, I have attempted to provide a very short summary of the Authority's annual report and highlight several key points. I would like to emphasise the critical role that the Cayman Islands Monetary Authority plays in our financial services industry and, thereby, the significant impact that it has on our economy. We remain confident in the strength of the Authority and its ability to operate successfully in a dynamic and competitive global environment in which the financial services industry operates.

Thank you very much, Madam Speaker.

The Speaker: Thank you.

## AUDITORS OVERSIGHT AUTHORITY, ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2014

**The Speaker:** Honourable Minister for Financial Services?

Hon. G. Wayne Panton: Thank you, Madam Speaker.

I beg to lay on the Table of this honourable House the Annual Report of the Auditors Oversight Authority for the year ended 30 June 2014.

The Speaker: So ordered.

Would the Honourable Minister wish to speak to this Report?

**Hon. G. Wayne Panton:** Madam Speaker, I think the Report is fairly self-explanatory. I would commend it to Members to read. And with that I would add nothing further.

Thank you.

The Speaker: Thank you.

#### CAYMAN ISLANDS AIRPORTS AUTHORITY, FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2012

**The Speaker:** I recognise the Honourable Minister responsible for Transport.

The Deputy Premier, Hon. Moses I. Kirkconnell, Minister of District Administration, Tourism and Transport: Thank you, Madam Speaker.

Madam Speaker, I beg to lay on the Table of this honourable House the Cayman Islands Airports Authority Financial Statement, year ended 30 June 2012.

The Speaker: So ordered.

Does the Honourable Minister wish to speak to the Report?

The Deputy Premier, Hon. Moses I. Kirkconnell: Just to say, Madam Speaker, I invite all Honourable Members and the public to review the Report in detail.

The Speaker: Thank you.

SISTER ISLANDS AFFORDABLE HOUSING DEVELOPMENT CORPORATION, ANNUAL FINANCIAL STATEMENTS YEAR ENDED 30<sup>TH</sup> JUNE 2011

SISTER ISLANDS AFFORDABLE HOUSING DEVELOPMENT CORPORATION, ANNUAL FINANCIAL STATEMENTS YEAR ENDED 30<sup>TH</sup> JUNE 2012

SISTER ISLANDS AFFORDABLE HOUSING DEVELOPMENT CORPORATION, ANNUAL FINANCIAL STATEMENTS YEAR ENDED 30<sup>TH</sup> JUNE 2013

**The Speaker:** I recognise the Honourable Minister responsible for District Administration.

**The Deputy Premier, Hon. Moses I. Kirkconnell:** Thank you, Madam Speaker.

Madam Speaker, I beg to lay on the Table of this honourable House the Sister Islands Affordable Housing Development Corporation Annual Financial Statements for the years ending 30<sup>th</sup> June 2011, 30<sup>th</sup> June 2012, 30<sup>th</sup> June 2013.

The Speaker: So ordered.

Does the Honourable Member wish to speak to it?

The Deputy Premier, Hon. Moses I. Kirkconnell: Madam Speaker, just to invite all Honourable Members to read it at their convenience.

Thank you.

The Speaker: Thank you.

## CAYMAN AIRWAYS LIMITED, FINANCIAL STATEMENTS 30 JUNE 2013

**The Speaker:** I recognise the Honourable Minister responsible for Tourism and Transport.

The Deputy Premier, Hon. Moses I. Kirkconnell: Thank you, Madam Speaker.

Madam Speaker, I beg to lay on the Table of this honourable House Cayman Airways Limited Financial Statement, 30 June 2013.

The Speaker: So ordered.

Does the Honourable Minister wish to speak to it?

The Deputy Premier, Hon. Moses I. Kirkconnell: Again, Madam Speaker, just to invite all Honourable Members to have a look at it.

Thank you.

The Speaker: Thank you.

MINISTRY OF FINANCE, TOURISM AND DEVELOPMENT—FINANCIAL SERVICES, ANNUAL FINANCIAL STATEMENTS FOR YEAR ENDED 30<sup>TH</sup> JUNE 2013

**The Speaker:** I recognise the Honourable Minister responsible for District Administration, Tourism and Transport.

The Deputy Premier, Hon. Moses I. Kirkconnell: Madam Speaker, I beg to lay on the Table of this honourable House the Ministry of Finance, Tourism and Development Annual Financial Statement for year ended 30<sup>th</sup> June 2013.

The Speaker: So ordered.

Does the Honourable Minister wish to speak to it?

The Deputy Premier, Hon. Moses I. Kirkconnell: Just to invite all Honourable Members and the public to review the Report in detail.

The Speaker: Thank you.

## REPORT AND RECOMMENDATION OF MINISTRY RESPONSIBLE FOR LANDS ON THE VESTING OF CROWN LAND BLOCK 15B PARCEL 376 TO HOME GAS LTD.

**The Speaker:** I recognise the Honourable Minister responsible for Lands.

Hon. D. Kurt Tibbetts, Minister of Planning, Lands, Agriculture, Housing and Infrastructure: Thank you.

Madam Speaker, I beg to lay on the Table of this honourable House the Report and Recommendation of the disposition of Crown Property that has been prepared in accordance with the requirements of the Governor (Vesting of Lands) Law (2005 Revision).

The Speaker: So ordered.

Does the Honourable Minister for Lands which to speak to his report?

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker, just to inform all Members of the process which allowed us to get this far.

Madam Speaker, the details of this land matter have been published in the Cayman Islands *Gazette* issue no. 22 of 2014, dated November 3, 2014; and a local newspaper, namely, the *Cayman Reporter* on 30 October 2014. Also, as the law requires, three valuations have been carried out on the subject property. Each valuation report forms part of the overall report which has been tabled. And each of these also provides a general indication of the value of the property that the Government now proposes to dispose of, that is, to sell.

The Report deals with the sale of Block 15B Parcel 376 to Home Gas Ltd. This parcel, Madam Speaker, is located along the west side of Walkers Road, close to its junction with Moxam Road. The approximate area of the parcel is 0.25 acres. The parcel has a very narrow rectangular shape with frontage onto Walkers Road. The dimensions of the parcel are 35 feet in width by 300 feet in length. The parcel previously was part of the eastern end of what we know as Point Four Street. At that time Point Four Street actually connected South Church Street and Walkers Road via the Grand Palm link. However, on the recommendation of the Highway Authority part of Point Four Street was declared legally closed and vested to the Crown as Block 15B Parcel 376 by the Governor in Cabinet on the 28<sup>th</sup> day of January 2002 under section 14 of the Roads Law.

Subsequent to that, Madam Speaker, since 2002, Home Gas Ltd., as the adjoining landowner, often inquired about the possibility of purchasing this land from government for operational reasons. Cabinet advised the Governor that the land was non-operational and recommended it be offered for sale. So the subject parcel was offered for sale by public

tender in July 2014. The sole bid received from the public tender process was from Home Gas Ltd., which I think is fairly obvious, because 35 feet in width by 300 really is not any size for a standalone parcel to be used.

The reserve price was CI\$103,000 plus costs. The price represents the highest of the three valuations received, being market value, taking into account the additional value to a special purchaser, that is, Home Gas Ltd. being the adjoining owner.

A report on this tender exercise was considered by Cabinet on the 23<sup>rd</sup> of September 2014. And after careful analysis and consideration Cabinet resolved to advise the Governor that the land should be sold to Home Gas for CI\$103,000 plus costs.

Thank you, Madam Speaker, and I hope that informs all Members of the entire process.

The Speaker: Thank you.

#### MINIMUM WAGE ADVISORY COMMITTEE, REPORT ON ESTABLISHING A MINIMUM WAGE REGIME IN THE CAYMAN ISLANDS, FEBRUARY 2015

**The Speaker:** I recognise the Honourable Minister responsible for Education, Employment and Gender Affairs.

Hon. Tara A. Rivers, Minister of Education, Employment and Gender Affairs: Thank you, Madam Speaker.

I beg to lay on the Table of this honourable House the Report of the Minimum Wage Advisory Committee entitled "Report on Establishing a Minimum Wage Regime in the Cayman Islands," February 2015.

The Speaker: So ordered.

Does the Honourable Minister wish to speak on her Report?

**Hon. Tara A. Rivers:** Yes, Madam Speaker, thank you.

Madam Speaker, on behalf of the Government it is with great pleasure that I present to this honourable House the Report on establishing a minimum wage in the Cayman Islands, which was submitted to me last month by the Minimum Wage Advisory Committee (MWAC).

The Report, which has been presented to the Government caucus and Cabinet, is now currently with Government to consider the recommendations proposed by the committee.

Madam Speaker, today marks history for this country and for the Government and for the people of the Cayman Islands. And as such, Madam Speaker, I believe it is necessary for me to take some time to outline to this honourable House and for the listening

public's benefit the significance of today and the milestone that we as a country have achieved in tabling this Report.

Today, Madam Speaker, we have now finally arrived at a point where we can have an informed discussion and the Government can now make an informed decision about the implementation of a national minimum wage regime based on solid quantitative, qualitative, statistical and economic analyses conducted by the Minimum Wage Advisory Committee and guided by the International Labor Organization's technical advisory using the ILO's internationally accepted methodology.

Madam Speaker, over the last 30 years and, in particular over the last 15 years, there has been various national discussions and much talk about the issue of a minimum wage or the lack thereof in the Cayman Islands. In fact, Madam Speaker, in 2001 the Government of the day passed a motion regarding the establishment of a minimum wage. However, nothing was done subsequently by the Government of that day to move the process along beyond just passing the motion.

Similarly, Madam Speaker, ten years later in 2011, the UDP Administration accepted a motion to establish a national minimum wage of \$5 per hour. However, Madam Speaker, again, nothing was done by the Government of the day to take the process beyond just talk and passing of the motion.

Yet, Madam Speaker, the provisions to establish a minimum wage has existed in the Labour Law since the law was first enacted in 1987. In fact, the now superseded Minimum Wage Law of 1946 contained essentially the same provisions enabling the Administrator of the Islands to appoint advisory boards for the purpose of advising and assisting in establishing a minimum wage regime.

Therefore, Madam Speaker, the process by which to establish a minimum wage regime has been well entrenched in our laws for well over 50 years. There has been ample time, Madam Speaker, and ample opportunities for various governments and various administrations over the years to do something about this issue if any of them were serious about doing something. Yet, Madam Speaker, this is the first time that any government has had the fortitude to carry out the process and to move beyond just talking about the issue. And Madam Speaker, I would add, that it took this Coalition Government to achieve this.

Madam Speaker, the Government has been looking into this issue since taking office. In a visit to the UK in January 2014 I met with a number of people at the UK Low Pay Commission in order to learn more about the process of determining an appropriate minimum wage regime for the Cayman Islands, and to consider the work and the information that needed to be conducted and gathered in order to be able to carry out the process and for the Government to be in a position to make an informed decision.

Madam Speaker, we have progressed a long way since then and since the debate in the Legislative Assembly that occurred in February of last year. At that time when the Government rejected the Private Member's Motion to amend the Labour Law to prescribe a \$5 minimum wage, there were more questions than answers regarding implementing a minimum wage and the impact of establishing such a minimum wage regime in the Cayman Islands.

Madam Speaker, as you will recall, the Government rejected the Private Member's Motion at that time, not because we did not believe that a minimum wage should be established, but because we were not convinced that \$5 an hour was the appropriate wage to adopt. At that time there was no research and no analysis conducted in order to help us determine how the regime would be implemented and what kind of economic impact that that figure would have on the people most affected and the economy as a whole.

However, Madam Speaker, I am pleased to say that the information contained in the Minimum Wage Advisory Committee's Report allows us, as a Government, as a people, and as a country to finally move beyond just talking about this issue as a wishful want, but to really understand, and now be able to comprehend, the implications that a minimum wage will have on the labour market and to those who will be most affected.

Madam Speaker, in June 2014 the country's first ever Minimum Wage Advisory Committee was established and convened as required by sections 20 and 21 of the Labour Law (2011 Revision) to provide recommendations on implementing a minimum wage in the Cayman Islands.

Madam Speaker, it is international best practice for the setting of minimum wage to be, as best as possible, a tripartite exercise with Government bringing employer and employee representation to the negotiating table. However, given the fact that there is a lack of established labour unions and other labour representative organisations in the Cayman Islands. with only the Cayman Islands Civil Service Association being recognised as a representative of public sector labour, it was extremely important to ensure that the Minimum Wage Advisory Committee consisted of an equal representation of independent stakeholders, of employers and employees or civil society representatives. The Government was also keen to ensure that the committee membership was gender balanced, Madam Speaker, and that the members recognised the contributions of and the challenges related to young people in relation to labour by actually having young people represented on the committee.

Madam Speaker, throughout the life of the project the Minimum Wage Advisory Committee was always comprised of 12 members: 4 independent members, 4 employer members, and 4 employees or civil society representatives (despite a few membership changes during the nine month period). And it

was supported by non-voting, ex-officio members from the Civil Service, including members from the Department of Labour and Pensions, Economics and Statistics Office, and the Immigration Department; and also, inclusive of a small secretariat comprised of staff of the Ministry of Education, Employment and Gender Affairs.

Madam Speaker, I would like to take this opportunity to sincerely thank the Chair and members of the Minimum Wage Advisory Committee for their dedication to completing this historic exercise and for completing the project within the very ambitious timeframe of nine months, as was requested by Cabinet. In fact, Madam Speaker, as this is such a memorable occasion in our history I wish to publicly identify and thank each member of the committee for his and her hard work and time spent serving the country on this very important assignment.

On behalf of the Government, Madam Speaker, I start by sincerely thanking Mr. Lemuel Hurlston, an independent member who ably served as the Chair of the committee and provided excellent stewardship throughout this entire process.

I would also like to thank the other independent members of the committee which includes: Mr. Nick Joseph, the Deputy Chair and nominee from the Caymanian Bar Association; Miss Maria Zingapan and later followed by Mr. Adolphus Laidlow of the Economics and Statistics Office; and Miss Annette Murphy from the University College of the Cayman Islands.

Madam Speaker, I would also like to thank those persons who served as employer representatives on the committee, which included: Mr. Woody Foster from the Chamber of Commerce; Miss Danielle Wolfe from the Cayman Islands Tourism Association; Mr. Ian Pairaudeau from the Cayman Contractors Association; and Miss Ahisha Bodden from the Cayman Islands Society of Human Resource Professionals.

Madam Speaker, I also would like to sincerely thank those persons who served to represent the interests of employees as well as important demographics in our society, such as, women, youth and Sister Islands representation, including: Miss Andrea Williams from the Business and Professional Women's Club; Mr. Stephen Tatum, the Cayman Brac and Little Cayman representative; Mr. Pierre Connolly from Rotaract Club of Grand Cayman, Rotary Sunrise; and Miss Lauren Langlois from Rotaract Club of Grand Cayman, Rotary Sunrise.

And finally, Madam Speaker, I would like to sincerely thank the civil servant ex-officio members of the committee, which included Mr. Christen Suckoo, Acting Chief Officer of the Ministry of Education, Employment and Gender Affairs, who initially served as the Ministry liaison to the Minimum Wage Advisory Committee until 1<sup>st</sup> of September upon taking up a new post and responsibility within the Ministry.

I would like to thank Miss Tammy Ebanks, the Acting Deputy Chief Officer and Senior Policy Officer for Gender in the Ministry of Education, Employment and Gender Affairs, who served as the Ministry's liaison thereafter the 1st of September; Ms. Kimberly Kirkconnell, communications manager and policy analyst in my Ministry, who also served as the committee's secretary; Mr. Philip Scott, the Senior Policy Advisor for Human Capital Development in the Ministry of Education, Employment and Gender Affairs; Mr. Mario Ebanks, Director of the Department of Labour and Pensions; Miss Linda Evans followed by Mr. Bruce Smith of the Immigration Department; and Miss Aubrey Bodden, Policy Officer for Gender in the Ministry who was seconded to assist the committee's secretariat.

Madam Speaker, none of this would be possible without the hard work, the dedication and commitment of the Minimum Wage Advisory Committee and the staff of the Ministry of Education, Employment and Gender Affairs which supported the work of the committee throughout the entire process.

Again, I sincerely thank the committee on behalf of the Government for producing a report of such high quality, which demonstrates thorough research and analysis that will greatly assist the Government in making its final decisions.

Madam Speaker, given that this was the first time in our history that such an exercise had been conducted in the Cayman Islands, the terms of reference for the committee were expansive with the committee being asked to address many pertinent questions, such as:

- Should there be one basic minimum wage or separate minimum wages based on industry or other economic sector differentiation?
- Should there be different minimum wages established according to age, with special consideration of any differentiation needed for young people?
- Should there be differentiated minimum wages established for Caymanians compared to non-Caymanians?
- Should other appropriate pay components, such as gratuities and in kind payments, such as housing, food, et cetera, be used in calculating the minimum wage?
- Should a minimum wage apply to workers in non-governmental, not for profit, and charitable organisations?

And, Madam Speaker, you will see that the full terms of reference can be found in Annex 3 to the Report.

Madam Speaker, the key questions that the Government and that the country needed to consider and that the Government was concerned about and wanted more information on, as it relates to establishing a minimum wage, formed the basis for the objective set for the exercise. The committee was provided

with the terms of reference, as approved by Cabinet, which included the following objectives:

- to identify minimum wage points that will address exploitation and provide real relief to the lowest paid workers; and
- to identify minimum wage points that would improve employment opportunities to Caymanians in relation to decreasing the demand for imported workers.

Madam Speaker, these were the terms of reference given. But as a result of the research and technical guidance provided from the International Labor Organization (ILO) and the recommendation of the ILO technical advisor, the Committee did not provide the minimum wage rate recommendation in relation to objective 2, but did, however, provide other recommendations that would assist in achieving this objective.

The Report on Establishing a Minimum Wage Regime in the Cayman Islands is over a hundred pages long and contains the full details of the Minimum Wage Advisory Committee's recommendations for a minimum wage figure and the components necessary for a minimum wage regime to be implemented in the Cayman Islands.

Madam Speaker, throughout the process, the work of the committee was guided by a qualified labour specialist from the International Labor Organization. The committee carried out a holistic public consultation and data collection process to gauge the thoughts and opinions of the public on establishing a minimum wage regime and to obtain important information that was not previously available in the Cayman Islands.

It is important to note that the support provided by the technical advisor, Mr. Reynold Simons, from the International Labor Organization's Decent Work Team and Office for the Caribbean, was provided at no charge to the Government, whereby the Government only had to pay for the travel costs associated with Mr. Simon's mission visit to Grand Cayman. This ILO assistance provided and allowed for a huge cost savings to the Government, Madam Speaker, as it related to the final cost of conducting this exercise, coming to an approximate \$80,000 in total.

As the ILO's Senior Specialist for Employment and Labour Market Policies, Mr. Simon's technical guidance greatly assisted the committee in understanding the necessary issues to consider when determining a minimum wage, the limitations of the data which they had to work with, and also the possible methods in which to derive at a figure for a minimum wage. Mr. Simons' has extensive knowledge on minimum wage setting and implementation and produced a report entitled "Statistical Aspects to Setting the Minimum Wage in the Cayman Islands," which is Annex I of the Minimum Wage Advisory Committee's Report.

Madam Speaker, Mr. Simons' report provided a comprehensive review of available statistical sources and data and options for the committee to consider when setting the minimum wage. And many of the recommendations proposed by Mr. Simons in his report were supported by the committee and form part of their recommendations outlined in their report.

Madam Speaker, we are very much appreciative to Mr. Simons and the ILO for providing this invaluable service to support the Cayman Islands with this landmark exercise.

Madam Speaker, in addition to receiving technical guidance provided by the ILO another key element of the exercise was the comprehensive public consultation process conducted by the Minimum Wage Advisory Committee. The public consultation process involved different activities at various stages throughout the nine-month period including: meeting with key stakeholders, such as the Chamber of Commerce, the Department of Children and Family Services, the Needs Assessment Unit, the Cayman Islands Tourism Association and the Cayman Contractors Association, and others.

Madam Speaker, focus group meetings were held in Cayman Brac and in Grand Cayman to collect qualitative data and to explore people's beliefs, people's attitudes and opinions on the subject of a minimum wage. The focus groups targeted household and business employers, household and business employees, unemployed Caymanians, and the youth.

Madam Speaker, there were also district town hall meetings held in Cayman Brac and in all districts in Grand Cayman. Written submissions were also invited by the general public and non-governmental organisations.

Five surveys, Madam Speaker, were designed to solicit opinions on the topic of minimum wage to ask about probable behaviours in relation to the implementation of a minimum wage and to collect personal data, such as income from employees and pay rates used by employers. The surveys targeted business employers, business employees, household employers, household employees, and the general public, including unemployed Caymanians.

Madam Speaker, the surveys were administered online, through printed copies in the district libraries (including Cayman Brac and Little Cayman Post Office), and they were administered in the field to randomly selected individuals or businesses by trained enumerators contracted through the assistance of the Economics and Statistics Office. A total of 568 people took part in the online surveys, and a total of 2,097 surveys were administered by representatives of the Economics and Statistics Office.

Madam Speaker, the committee received feedback or representations from a total of 2,792 people and organisations. I would also like to take this opportunity to thank those individuals and businesses that took time to complete the surveys, to attend

meetings, or to provide their feedback in whatever way to the committee.

Madam Speaker, from the public consultation process the committee received clear support for the establishment of a minimum wage in the Cayman Islands with 89 per cent stating "yes," 5.4 per cent stating "no," and 5.6 per cent saying "don't know/not sure." While the general public has indicated clear support for establishing a minimum wage, on reading the report and from representations made by the Minimum Wage Advisory Committee, it would seem that based on the public feedback and opinions provided to the Minimum Wage Advisory Committee during this process, that many persons in the public are, however, thinking in terms of a living wage as opposed to a minimum wage. And as illustrated by the committee in their Report there is a distinct difference between the two.

Madam Speaker, a minimum wage as defined by the ILO is a sum payable to a worker for work performed or services rendered within a given period or collective agreement, which is guaranteed by law and which may be fixed in such a way as to cover the minimum needs of the worker or his or her family in light of the national economic and social conditions.

In contrast, Madam Speaker, a living wage is based on the basic cost of living in a country or area within a country. It is not enforceable by law, and there is no universally accepted definition of a living wage or agreement as to how to calculate it.

Madam Speaker, out of the 2,097 respondents of the Minimum Wage Advisory Committee field surveys, 80.2 per cent identified cost of living as the most important factor in determining a minimum wage for the Cayman Islands. And age was identified as the least important factor with only 10.2 per cent indicating it as being the most important factor. Based on the importance placed on the cost of living by those who participated in the public consultation process and from some feedback that we have already heard since the report was made public last week at a press conference, the committee anticipated that there would be some persons in the community who will not be satisfied with the committee's recommended minimum wage figure.

However, Madam Speaker, the committee did not deviate from its focus, which was to identify a minimum wage in an attempt to try to determine a living wage. The committee followed the terms of reference which was to identify a minimum wage that would address exploitation and provide real relief to the lowest paid workers.

Madam Speaker, it is not that the country should not be concerned about, or should not aspire to having a living wage regime, but as the Chair of the Committee so aptly put in his forward to the Report, "This is a commencement of an ongoing exercise that should benefit the economy and labour relations in the future."

The completion of this Minimum Wage Advisory Committee exercise and report was the first real start in earnest, Madam Speaker; a start that has been a long time coming, given the amount of discussion on this topic which has been generated over the past several decades.

Madam Speaker, in looking at the data contained in the Report the ILO consultant, Mr. Simons, identified in his report that employees earning what was classified as very low wages and low wages, make up 29 per cent of all employees in the Cayman Islands. Of that 29 per cent, very low wages made up 7 per cent and were defined as employees in labour for a survey as persons who earned less than \$4.61 per hour. And low wages constituted 22 per cent and were defined as employees who earned between \$4.62 and \$9.23 per hour. The Report found that there are 2.6 times more non-Caymanian workers than Caymanians in the very low and low wage segments of our economy. And the four industries identified as employing 72.3 per cent of all very low wage earners are industries that include wholesale and retail trade, repair of motor vehicles and motor cycles, restaurants and mobile food service activities, administration and support service activities (which include security guards), activities of households as employers (which includes domestic helpers and other elementary occupations).

Madam Speaker, the five industries identified as employing 70.3 per cent of all low wage earners are wholesale and retail trade, repair of motor vehicles and motor cycles, restaurant and mobile food services activities, administration and support service activities, activities of households as employers, and construction.

Madam Speaker, it is important to note that one third of the very low and low wage earners are in industries outside of these five industries identified. Therefore, if a minimum wage was set only for the five very low or low wage industries, this would exclude a third of very low and low wage earners, amongst which, many are Caymanians. Two thousand, six hundred and eighty-three Caymanians are classified as very low or low wage employees, with 655 as very low and 2,028 as low paid employees. Therefore, Madam Speaker, Caymanians make up 27.6 per cent of this very low or low wage segment of the labour market.

In order to ensure that no low income earning Caymanians in sectors outside the five identified low wage sectors would be excluded, and as many low paid employees as possible are covered, the Minimum Wage Advisory Committee unanimously agreed to recommend that the minimum wage should be a national minimum wage that is applied across the board to all sectors of employment in the Cayman Islands

Madam Speaker, it is also important to note that within the classifications of persons being consid-

ered non-Caymanian this includes persons who are married to Caymanians, permanent residents, and other persons who have real and long term connection to the Cayman Islands and connections to Caymanian families and households.

Madam Speaker, as all of the Members of this honourable House would have heard by now, the Minimum Wage Advisory Committee has recommended CI\$6.00 per hour gross as an acceptable introductory minimum wage rate that would achieve the objective of addressing exploitation and providing real relief to the lowest paid workers.

This recommendation, Madam Speaker, is based on the analysis of the data provided from the committee's public consultation exercise and various other national data sources and on the research and technical support provided by qualified advisors.

Madam Speaker, the committee has suggested in its Report that the national minimum wage rate apply as follows:

- an across the board rate applicable to all employees as defined in the Labour Law, including employees in the household domestic sector and employees of non-profit charitable organisations.
- the committee has recommended that it applies equally to Caymanians and non-Caymanians.
- The committee has recommended that no age distinctions, the minimum wage rate should apply equally to persons of all ages who are legally defined as employees in the Labour Law.
- the committee has recommended that it should not apply to self-employed persons; and
- the committee has recommended that it apply to every hour worked, either within the standard work week or standard work day as defined in the Labour Law.

Madam Speaker, the committee also recommends that special provisions are given to employers in relation to gratuities and commissions and for household employers who employ 'live in' employees. The special provisions are as follows:

No more than 25 per cent of the CI\$6.00 minimum wage gross rate (i.e. CI\$1.50) may be paid by gratuities or commissions; therefore at least 75 per cent of the minimum wage rate must come directly from the employer. This exception is recommended by the committee to only be applicable to a business that has a scheme in accordance with the Gratuities Regulations that is in good standing and has been approved in writing by the Director of Labour and Pensions in accordance with the current Labour Law and Regulations.

Recognising that the Household as Employer industry will be the most affected by the introduction of

a Minimum Wage Regime, the Committee recommends that a maximum of 25 per cent (i.e. CI\$1.50) of an in-kind credit for accommodations and utilities only may be applied to the CI\$6.00 per hour (gross) minimum wage rate but only for Household Employers with 'live in' employees.

The MWAC also recommends that gratuities and commissioned based employers are required to provide at the very least the minimum wage rate (i.e. the recommended \$6.00 per hour) when calculating an employee's vacation, sick, maternity and paternity leave, et cetera, and the issue of whether or not gratuities and commissions are also to be included in these monetary calculations of leave time, should also be given consideration and subject to a legislative review.

In order to decide on a minimum wage there normally is an established and nationally recognised poverty line or vulnerability threshold that is agreed that no one in the country should earn below. However, in absence of a formally recognised "poverty line" in the Cayman Islands, the committee had to determine what it would use as its "floor rate" in order to make the recommendations that the committee have made in their report. The committee agreed that the minimum wage should be set above any kind of suggested poverty line or vulnerability threshold line for the Cayman Islands.

Therefore in order to calculate a minimum wage rate, the committee established the Cayman Islands - Economic Vulnerability Threshold (CI-EVT). The CI-EVT rate is the minimum amount that a worker needs to earn in order to not slip below the poverty marker that the committee used as a guide which was \$4.18 per hour. The committee determined that it was necessary for each income earner to make at least CI\$5.22 per hour, which is the Cayman Islands Economic Vulnerability Rate. The CI-EVT is 125 per cent of the poverty line used by the Committee, and calculating a vulnerability line or the CI-EVT, as 25 per cent more than a poverty line, is an internationally accepted methodology to use. And, Madam Speaker, the report goes into great detail about how this analysis and how to determine this actual rate as it relates to the Cayman Islands Economic Vulnerability threshold.

Once the committee agreed upon the CI-EVT rate as the established 'poverty threshold', the MWAC also analysed the wages currently paid to employees through the ESO's Labour Force Surveys and the MWAC's Minimum Wage Surveys administered to business and household employers. In order to avoid driving wage distribution upwards, thereby impacting negatively on macro-economic stability and negatively on employment levels by increasing the potential for job losses, the committee analysed the low value added industries' ability to pay a minimum wage that was greater than the CI-EVT figure of CI\$5.22 per hour. This data analysis assisted the committee in determining its recommended figure, which the committee believes would decrease the exploitation of

labour and provide real relief to the lowest paid workers and that low paying industries have the capacity to pay, thereby minimising the negative impacts in terms of potential job losses.

Data from the Economics and Statistics Office's Labour Force Survey 2013 shows that 2,367 employees were earning less than CI\$4.61 per hour; in other words, approximately [6.5 per cent] of the workforce was earning less than the CI-EVT of CI\$5.22 per hour.

The CI\$6.00 per hour proposed minimum wage will directly benefit an estimated 5,962 employed persons (15.8 per cent of the entire employed labour force of the Cayman Islands). This is broken down as:

- 3,362 are business employees
- 2,600 are household employees
- 1,524 (25.6 per cent) are Caymanians
- 4,438 (74.4 per cent) are Non-Caymanians.

Again, it is important to note that persons grouped and coded by ESO as "Non-Caymanian" in the Labour Force Surveys include persons married to Caymanians, Permanent Residents and others who have a long term connection to the country and to Caymanian families and households. So "Non-Caymanian" is not necessarily synonymous with or the same as "work permit holders" as many may think.

Household Employees (Domestic Workers) will benefit the greatest with an estimated wage increase of CI\$1.86 per employee per hour. Of this group or category of worker, 169 were found to be Caymanians (6.5 per cent); and 2,431 non-Caymanians (93.5 per cent).

Employees in the following occupations would receive the following estimated wage increases per hour at the recommended CI\$6.00 per hour minimum wage rate:

- Administrative and Support Services activities (includes security guards, janitorial, cleaning services, car rentals): CI\$1.00
- Accommodation establishments: CI\$0.54
- Restaurants and Mobile Food Services: CI\$1.11 per hour, estimated.

The overall direct cost of the proposed minimum wage is CI\$17.6 million in annual terms with Businesses expected to pay CI\$7.54 million and Households paying CI\$10.06 million. This \$17.6 million figure to implement the minimum wage amounts to approximately 1.2 per cent of total compensation paid to employees annually.

Of the CI\$7.54 million that it will cost the business sector, the benefits to employees who work for businesses will be: CI\$3.88 million for Caymanians and CI\$3.65 million for Non-Caymanians. So these are the way that the actual employees of the business sector will benefit with real increases in pay.

Small businesses (firms with less than five employees) will be the most impacted with payments to approximately 1,233 employees. These businesses account for 36.7 per cent of all employees of businesses who are earning less than the proposed minimum wage. However, businesses with 50 or more employees will see higher payments to 691 (20.6 per cent) employees.

Of the Cl\$10.06 million that it will cost households, the benefits to employees who work for households as employers will be: Caymanians: Cl\$0.4 million; Non-Caymanians: Cl\$9.66 million. So, again, these are the benefits the actual employees would receive as a result of the introduction of a minimum wage regime at the proposed rate.

Madam Speaker, the estimated overall jobs lost as a result of the proposed minimum wage can range from 545 to 600 or 1.4 per cent to 1.6 per cent of the total employed (plus or minus 5 per cent). This is what the committee found in conducting its research. This would be an estimated 190 household employees and an estimated 382 business employees. It is assumed by the committee that these job losses will exclusively affect work permit holders, rather than Caymanians and Permanent Residents, although the employers of persons losing jobs will be in many cases be Caymanians or Permanent Residents. Again, Madam Speaker, this is an estimate provided by the MWAC. But in speaking with the committee and in various forums, the Chair has indicated that the expectation is that job loss itself will be minimal based on experiences of other countries when they introduced a conservative minimum wage rate, such as this one proposed.

Madam Speaker, at the proposed \$6.00 per hour rate recommended by the committee, the following two assumptions or scenarios show the estimated impact on the cost of living as reflected in the anticipated impact on the average consumer price index (CPI) inflation:

If the entire (100 per cent) additional cost to businesses (excluding the cost to household employers) is passed-through to consumers in the form of higher prices of goods and services, it is estimated that a 0.85 per cent increase will occur in the CPI. The strongest impact is expected in an increase of housing and utilities of 0.28 per cent and a 0.13 per cent increase of miscellaneous goods and services. This data contradicts the assumptions that have been discussed in the public domain about the increase being expected at a large scale in terms of the cost of living, especially as it relates to the supermarkets and with food prices. In fact, as was discussed by the ESO representative of the committee at the press conference held on 9 April, most supermarkets on average already pay wages that are above the proposed minimum wage.

The other scenario considered was that if 50 per cent of the business employers' additional costs

are passed-through by price increases the average CPI inflation is estimated at 0.58 per cent, with housing and utilities contributing approximately 0.19 per cent. Therefore, Madam Speaker, it is important to stress that the likely impact of introducing a \$6.00 per hour minimum wage to the cost of living in terms of increased prices would be minimal, less than 1 per cent in both scenarios.

In relation to the impact of implementing this minimum wage rate on GDP growth, the following are two of the more important and most likely scenarios that were considered:

If businesses can only pass-on 50 per cent of the additional cost to customers, coupled with Caymanians spending 100 per cent of the additional income in the local economy, while non-Caymanians spend 50 per cent, then GDP growth is anticipated to increase by 0.74 per cent while inflation-adjusted GDP growth is expected at 0.16 per cent.

If 572 of the estimated layoffs are non-Caymanian and the remaining non-Caymanians retain their jobs and spend 50 per cent of the additional income and employed Caymanians continue to spend 100 per cent of the additional income, then the expected result is zero (0) as it relates to current GDP growth.

And finally, the most favourable impact on economic growth would be if all additional earnings are spent locally with no employee lay-offs. Economic growth would then be expected to be enhanced by 1.19 per cent, while economic growth adjusted for inflation caused by higher prices from cost pass-through, will be an additional 0.33 per cent.

So, Madam Speaker, in the best case scenario considered by the MWAC we see a slight increase in GDP growth for the [country] as a result of the introduction of a minimum wage at the recommended CI\$6.00 per hour.

The committee has stated that it recommends that the first Minimum Wage Regime should 'err on the side of caution' by starting at a conservative rate, as it is easier to increase an existing minimum wage rate than lower one. The committee also has stated that it considers their recommended minimum wage regime to be a simple and easily understood system for enforcement to begin with, and it considers the recommended CI\$6.00 per hour gross rate to be a fair, conservative wage rate that would be affordable to employers and beneficial to very low wage employees.

Madam Speaker, it is important to note that a minimum wage should take into account the needs of the individual and his or her family, the employee, and the needs of the economy and the capability of the employer to pay. Therefore, setting the minimum wage requires a balancing act to ensure there is economic stability, but at the same time allowing people to meet their basic needs.

And while the Government wants to ensure that all people in the Cayman Islands have a decent standard of living and personally would love to be able to legislate the provision of a living wage whatever that would be, the information in this report, the empirical data and information gathered an analysed in this report clearly provides evidence that consideration must be given to the capacity for businesses to pay, and that it would be highly irresponsible for the Government to set a minimum wage rate to the level that would satisfy some of the critics of the proposed \$6.00 rate without quantifying and knowing the impacts of any other proposed rate.

Quite simply put, the higher the basic minimum wage set above the proposed \$6.00 per hour, the greater the likely increase in the cost of living due to higher increases in prices as a result of those costs being passed on to the consumer; the greater likely impact on job losses; and an increased probability in creating instability within businesses and the economy.

The committee has informed the Government that the recommended minimum wage rate is only valid for one year after the submission of this report (February 2015), and they have also recommended a six month period from the date the minimum wage is established in the Labour Law to the date which it is enforceable in order to allow businesses and household employers ample time to prepare. Additionally, in order to continue to be a valid instrument of social protection, the committee has recommended an annual review of the minimum wage for effectiveness by technical experts and quadrennial review by future Minimum Wage Advisory Committees for fixing procedures and criteria.

Given the cross cutting nature of the topics of labour supply, employment levels, immigration, poverty, and the like, the committee has rightly identified several recommended synergies to be developed within Government in order to support the implementation of the suggested Minimum Wage Regime. These include recommendations such as:

- improve current data collection methods and introducing new data collection methods within Government (for example, by creating a third category to capture the Permanent Residents, persons married to Caymanians and other connected persons to Caymanian households when conducting the Labour Force and other economic surveys);
- further analysis and research of certain types of unemployed persons;
- review of government policies –in particular the temporary poor relief and immigration policies- that would directly influence the effectiveness of the proposed Minimum Wage Reaime:
- increase Information Technology and Synergies between Government departments;

- leverage other institutional capabilities and relationships within the Civil Service and the Government for monitoring and compliance; and
- public increase attention and awareness/education efforts in regards to the three qualitative key issues identified from focus groups conducted. The concerns expressed were: 1) high levels of exploitation and contractual breaches experienced by household employees; 2) stereotyping of Caymanians as 'lazy' or 'not good workers' by some employers and others in the community; and 3) young persons in the Cayman Islands were not open to the idea of working all types of industries.

This report is a rich report with respect to some of the concerns expressed by those participating and it is incumbent upon the Government to look to see how we can address some of these issues flagged by the MWAC.

While the Department of Labour and Pensions will more than likely have the key role in enforcement of the minimum wage, it is quite clear from the report that there are other key departments and entities within and across Government, such as the Economics and Statistics Office, the Immigration Department, the Needs Assessment Unit and DCFS, the Department of Commerce and Investment, and National Workforce Development Agency (to name a few) that will also have key roles to play to ensure that the minimum wage regime operates effectively. It is imperative that that the same inter-ministerial collaboration that took place within the Minimum Wage Advisory Committee at the planning and development stage continues into the implementation phase once the Government has taken a decision to do so in order for such a regime to be successful.

In order to implement the suggested minimum wage regime, the committee also made suggestions for various legislative amendments to be made to the current version of the Labour Law. I am pleased to report that several of the committee's suggested amendments to the Labour Law are ones that had already been considered and proposed in our current review of the legislation by the Department of Labour and Pensions and are supported by the Ministry's policy steer of labour relations reform. These include the introduction of administrative fines regime and the introduction of whistle-blower provisions.

Additionally, the committee made suggestions for other important legislative changes. These suggestions apply to the Labour Law Regulations, Labour Law, Immigration Law and the Special Economic Zones Law and include the following recommendations:

 provide a template for information returns to the Department of Labour and Pensions;

- ensure that a contract of employment is accompanied with all work permit applications;
- support the implementation of an Employer Accreditation System; and
- amend the Special Economic Zones Law to state that an employee cannot be paid lower than the minimum wage as defined in the Labour Law.

Madam Speaker, last year February when debating this issue in the Legislative Assembly, I indicated that the determination of an appropriate national minimum wage structure for the Cayman Islands must be based on well informed socio-economic principles, research and analysis. As you can see from the broad overview just provided on the research, analysis and recommendations contained in the Minimum Wage Advisory Committee's Report, I am delighted to state that this report did just that, and the committee has provided us with a robust, well thought out, well-articulated report, rich with empirical and statistical data, research and analysis.

Given the potential to affect the lives of people in this community and the operations of businesses in the Cayman Islands, it is important to the Government to have recommendations based on quantitative and qualitative information.

This report is a landmark achievement for the Cayman Islands. One in which we can all celebrate as a result of the comprehensive nature and integrity of the process undertaken by the MWAC. As a country, we are in a much better position to make informed, evidence based decisions now as we move forward in our efforts to establish an appropriate minimum wage regime in the Cayman Islands.

Madam Speaker, as a country, as a Government, we can now finally move beyond just talking about this issue in a vacuum. We now have a Report which helps us to understand the implications of a National Minimum Wage at the recommended rate to the labour market and to those most affected.

As Minister of Employment, and as the independent Member of Cabinet, just over a year ago, I gave a commitment on behalf of the Government in this honourable House to the people of this country that the legally mandated process of establishing a minimum wage would be taken forward and carried out. Madam Speaker, today I have delivered on that commitment made on behalf of the PPM led-Coalition Government.

Madam Speaker, it is now up to the Government, as a whole, to consider the recommendations of the MWAC report and take the matter forward as the Government sees fit. This is, in essence, an advisory report which is now with the Government to make its determinations accordingly.

I encourage Members of this honourable House and members of the public to read the report (which can be found on the Ministry's website at www.education.gov.ky/minimumwage and to submit any comments you may have on the recommendations outlined therein to the Ministry by emailing minimumwage@gov.ky.

Thank you, Madam Speaker.

The Speaker: Thank you.

#### CAYMAN ISLANDS HEALTH SERVICES AUTHORITY, FINANCIAL STATEMENTS ENDED 30 JUNE 2012

The Speaker: Honourable Premier.

The Premier, Hon. Alden McLaughlin: In accordance with section 52(5) of the Public Management and Finance Law, I am pleased today to place before this Honourable House the Cayman Islands Health Services Authority Financial Statements ended 30 June 2012

The Cayman Islands Health Services Authority (the "Health Authority") is a statutory body established on July 1, 2002 under the Health Services Authority Law. The purpose of the Health Authority is to provide health care services and facilities in the Cayman Islands in accordance with the National—

The Speaker: Honourable Premier, sorry for the interruption. Would you wish to lay it on the Table at this time?

**The Premier, Hon. Alden McLaughlin:** Thank you, Madam Speaker.

The Speaker: So ordered.

The Premier, Hon. Alden McLaughlin: Thank you, Madam Speaker. I got ahead of myself there. I should have laid it on the Table before I spoke to it.

Madam Speaker, the Cayman Islands Health Services Authority is a statutory body established on July 1, 2002 under the Health Services Authority Law. The purpose of the Health Authority is to provide health care services and facilities in the Cayman Islands in accordance with the National Strategic Plan for Health prepared by the Cayman Islands Government.

The Authority provides primary and secondary levels of healthcare services for the three Islands and its facilities include the following health care agencies: Cayman Islands Hospital, George Town, Grand Cayman and Faith Hospital, Cayman Brac.

There are also a number of community-based services, including:

- Little Cayman Health Centre
- George Town General Practice Clinic
- West Bay Health Centre
- Bodden Town Health Centre
- East End Health Centre

- North Side Health Centre
- Public Health Unit
- Lions Eye Clinic
- George Town Dental Clinic
- Merren's Dental Clinic
- Cayman Brac Dental Clinic

Madam Speaker, in reviewing the audited financial statements for the year ended 30 June 2012, the Health Authority recorded total revenue from government, patient service fees and other services of \$85,697,298. The total operating expenses reported were \$90,307,001. The reported net loss for the year was \$4,609,703. This loss is significantly greater than the loss reported in the previous year (2010/11) which was only \$244,111.

The current assets for the year were reported at \$28,511,524 and the fixed assets were \$64,952,809.

The HSA also reported total assets of \$93,464,333 and total liabilities of \$13,859,097.

The net assets for the year were reported at \$79,605,236.

At 30 June 2012, the HSA ended the fiscal period with a positive cash balance of \$8.1 million.

Madam Speaker, the Auditor General completed the audit and issued a qualified opinion on the financial statements of the HSA for the period ended 30 June 2012. A qualified opinion means that a portion of the financial statements cannot be relied upon, but the rest of the statements can be relied upon by the reader. The Auditor General pointed out four significant matters that influenced him to arrive at his opinion. The management of the HSA provided responsible responses to the Ministry on 20<sup>th</sup> January this year.

- 1) Ineffective controls over completeness of patient revenues. The Auditor General stated that he was unable to satisfy himself that the stated patient services fees of \$71.2 million are complete. In response the HSA management noted that the HSA has implemented organisational policies and procedures to ensure revenue completeness.
- 2) Completeness and valuation of patient-related accounts receivables. The Auditor General stated that he was unable to satisfy himself of the completeness and valuation of accounts receivable as at 30 June 2012. In response, the HSA management noted that the resolution of revenue completeness will resolve this issue on HSA's accounts receivables.
- 3) Inability to ascertain the accuracy, existence and valuation of year-end inventory. The Auditor General stated that he was unable to himself of the accuracy existence and valuation of inventory as of June 30, 2012. In response, the HSA management noted that this was addressed with the implementation of additional controls in the 2013/14 fiscal year.
- 4) Uncertainties due to modified and disclaimers of opinion on prior years' financial statements. The

Auditor General stated that because of the disclaimers of audit opinion on the HSA financial statements for the years 2005/06 all the way through to 2009/10 and the qualified opinion in 2011/12, he was unable to determine the accuracy of the accumulated deficit as reported in the balance sheet and the statement of changes in net worth.

In response, the HSA management noted that this issue would be raised with the Office of the Auditor General as to the length of time this type of weakness will remain on its books, as the HSA expects with an unqualified opinion, this weakness will go away.

Madam Speaker, the Auditor General's opinion was that except for the possible effects of the adjustments necessary in respect of the matters discussed in the Basis for Qualified Opinion paragraphs above, these financial statements present fairly, in all material respects, the financial position of the Health Services Authority as at 30 June 2012, and the results of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Madam Speaker, in closing I would like to publicly thank the board and management of the HSA for their hard work and perseverance in producing these annual reports, and in responding to the significant matters raised by the Auditor General that form the basis of the qualified opinion.

I invite Members of this honourable House and the public to review these reports in detail. Thank you.

The Speaker: Thank you.

#### CAYMAN NATIONAL CULTURAL FOUNDATION, ANNUAL FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2014

The Speaker: Honourable Premier.

The Premier, Hon. Alden McLaughlin: Madam Speaker, in accordance with section 17(2) of the Cayman National Cultural Foundation Law, and section 52(2) and (5) of the Public Management and Finance Law, I beg to lay on the Table of this honourable House the audit report of the Cayman National Cultural Foundation for the fiscal year ended 30 June 2014.

The Speaker: So ordered.

Does the Honourable Premier wish to speak to his report?

**The Premier, Hon. Alden McLaughlin:** Yes, Madam Speaker.

The Cayman National Cultural Foundation (the "Foundation") is a non-profit organisation domiciled in the Cayman Islands and is owned and regu-

lated by the Government of the Cayman Islands. The Foundation was formed on October 9, 1984, in accordance with the Cayman National Cultural Foundation Law, 1984. The Cayman National Cultural Foundation Law, 2013, came into effect on 1 September 2013 and constituted the Foundation as a statutory authority within the Cayman Islands Public Service.

The Foundation is funded primarily by an annual grant from the Government through the Ministry of Home Affairs, Health and Culture.

The statement of financial performance of the Foundation shows that the revenues increased over the previous year by \$118,000. The Government's annual grant was increased by \$112,000 (from \$567,000 to \$679,000). The loss recorded for the year was \$99,000, whilst the loss for the previous year was \$191,000. The result shows that the Foundation is dependent heavily on government financing in order to operate.

The Foundation's statement of financial position shows that total assets decreased from the previous year by \$55,000. Also, the accumulated fund decreased by \$99,000, to loss incurred during the year. The current liabilities contain a large amount, \$418,000, which is owed to the Cayman Islands Government Risk Management Unit for insurance coverage provided which accumulated annually.

Madam Speaker, in coming to his opinion on the Foundation's financial statements, the Auditor General relied on the work carried out by KPMG who performed their work in accordance with International Standards for Auditing. The Auditor General issued an unmodified opinion on the Foundation's financial statements for the year ending 30 June 2014.

The term "unmodified opinion" is the new term now used by the International Auditing Standards and is synonymous with the previously used term "unqualified opinion." It means that the information contained within the financial statements can be relied upon by the reader or user.

Madam Speaker, the Auditor General stated that in his opinion the financial statements present fairly in all material respects the financial position of the Foundation as at 30 June 2014 and its financial performance and its cash flows for each of the years then ended in accordance with International Public Sector Accounting Standards.

Madam Speaker, the Auditor General wrote that there was only one management letter point in relation to trade payables in the current liabilities. He noted that the trade payables at 30 June 2014 included amounts accumulated to \$418,000 and owed to the Cayman Islands Government with respect to insurance coverage provided to the Foundation. The Auditor General stated that it was unlikely that the Foundation would be in a position to repay this without equity injection from the Cayman Islands Government. It was his understanding that the Foundation was pur-

suing resolution with Government as to amounts to be paid and the amounts to be converted to equity.

The Auditor General recommended that the Foundation continue to pursue the Cayman Islands Government to resolve the amounts that will be paid to the Risk Management Unit and the amounts that will be converted into equity. Also, the Foundation should establish a suitable mechanism going forward to ensure expenses do not accumulate again.

The management of the Foundation responded that they will continue to pursue the matter until it has been resolved. The target date anticipated for resolving the matter is the end of the current financial year.

Madam Speaker, I invite Members of this honourable House and the public to review this report in detail. Thank you.

The Speaker: Thank you.

#### REPORT OF THE STANDING BUSINESS COMMITTEE - FOURTH MEETING OF THE 2014/2015 SESSION OF THE LEGISLATIVE ASSEMBLY

The Speaker: Honourable Premier.

The Premier, Hon. Alden McLaughlin: Thank you, Madam Speaker.

I beg to lay on the Table of this honourable House the Report of the Standing Business Committee - Fourth Meeting of the 2014/2015 Session of the Legislative Assembly.

The Speaker: So ordered.

Does the Honourable Premier wish to speak to this report as well?

The Premier, Hon. Alden McLaughlin: No, Madam Speaker. But just for the information of those who may wonder what the Standing Business Committee is, the Standing Business Committee is the committee which sets the business of the House and allows the House to be able to have before it an Order Paper each day. So there is not really anything in it that is worth my speaking to beyond that. Thank you.

#### STATEMENTS BY HONOURABLE MEMBERS AND MINISTERS OF THE CABINET

**The Speaker:** I have received notice of statements from the Honourable Premier and the Honourable Minister responsible for Financial Services. We will receive the statements in that order.

Honourable Premier.

[Inaudible interjection]

**The Speaker:** The agenda I have on my desk, the next item is item 4 and it says "Statements" and item 5 says "Questions".

**Mr. V. Arden McLean, Member for East End:** Well, Madam Speaker, I think it is reversed on all the other Order Papers. That is why the quizzical look is on everyone's face.

**The Speaker:** Thank you for bringing that to my attention. I am going by the one that I have on my desk, and seeking that it is not deviating from the traditional order of the Order Paper, we will continue as follows. I appreciate the Member for East End bringing it to the attention of the administrative staff.

We will continue with statements, Honourable Premier.

#### DIESEL IMPORT DUTY REDUCTION

**The Premier, Hon. Alden McLaughlin:** Thank you, Madam Speaker.

Madam Speaker, I wanted to speak this morning briefly to the issue of the positive impact of the reduction in the duty charged on diesel that Caribbean Utilities Company uses to generate electricity.

Many will recall that shortly after the UDP Government was elected in 2009, one of its first actions was to re-impose the twenty cents per gallon import duty on diesel fuel used by CUC for generation of electricity, which had been removed by the PPM administration in order to reduce the cost of electricity to consumers. Then, less than a year later, the same Government imposed another twenty-five cents per gallon to the cost of diesel fuel. So the actual cost to consumers went up by forty-five cents under the UDP administration.

At the time of the last increase in 2010, the now Leader of the Opposition was quoted in the press (in particular the *Caymanian Compass* of 23 June 2010) as stating that the fuel duty hike put the burden of the increase only on those who could afford it; that is, as he intimated, vehicle owners and Caribbean Utilities Company. He is reported to have also added that his Government "... had to get that little bit of revenue, and 25 cents on fuel is not going to kill you."

The Hansards of the House will show that my then Progressive colleagues with myself, along with other Opposition Members, opposed this increase because we felt it was wrong. It was a bad time, when the great recession was still biting, for such an increase to be brought that would unavoidably hurt the broader economy. We knew that the now Honourable Leader of the Opposition was wrong and that it would not be only those who could afford it who would bear the burden, but it was ordinary Caymanians and residents who would; along with small businesses. And history has proved us right.

Well, Madam Speaker, in January of this year this Government corrected this wrong by reducing the import duty charged on diesel brought in by Caribbean Utilities Company from 75 cents an imperial gallon to 50 cents. And in the past few months the public has benefitted from the decrease. And they will continue to benefit in months to come. The diesel import duty reduction has meant lower prices for electricity, which ought to equate to lower prices for goods and services in an effort to entice spending and help further bolster the economy.

Both CUC and the Electricity Regulatory Authority report that residents have seen a reduction in their electricity bills, which reflects the Government's import duty reduction.

I know that Members would be aware of this because I am sure they have seen decreases in their own bills and would have also heard comments from the public. As some of us may be aware, there is an average 75-day lag between the time fuel is brought on island and the time that consumers will see the cost of this fuel reflected in their electricity bills. Additionally, any build-up of diesel fuel reserves will also impact this. As such, we understand that whilst consumers are seeing positive decreases in power bills, they will see the full benefit of the reduced duty rate on their May bills.

Madam Speaker, for comparison, these Islands saw a spike in the price of electricity in September 2014 with a retail rate of 35.07 cents per kilowatt hour for residential consumers. The price of electricity for May bills is projected to be 25.63 cents per kilowatt hour for residential consumers, a 26.9 per cent reduction since the September peak. Of this, 16.2 per cent is attributable to this Government's duty reduction.

Next month consumers should be able to compare their September 2014 electricity bills when the average household's electricity bill was approximately \$350.70, to their May bill, when the average household's CUC bill is projected to be about \$256.30. Had there been no duty reduction, the average residential bill for May 2015 is projected at approximately \$271.50.

And whilst my focus has been on residential customers it should be noted that business customers have also benefitted. Madam Speaker, if you look at electricity consumption in October 2014, the fuel factor on customer's bills was at 24 cents per kilowatt hour. That figure is compared to 16 cents per kilowatt hour billed for March 2015 electricity consumption. The fuel factor mechanism that CUC uses ensures that the fuel charge is transparent and operates as a pass through with CUC charging customers the exact cost of fuel used to generate energy. This allows consumers to understand the fuel cost and ensures that they enjoy the full benefit of falling fuel prices, as well as any import duty reduction.

I would add Madam Speaker that it was in the much-improved contract that the PPM Government

negotiated with CUC that ensured the level of transparency now available around the fuel factor that forms part of the overall CUC bill. I would also add that CUC informs me that it has received many positive comments from customers regarding the reduction in electricity bills.

I must caution, though, Madam Speaker, while the Progressives-led Administration has found a way to reduce the import duty on diesel used by CUC, there has been no change in the base price of electricity that CUC charges, which accounts for one-third of power bills. It would be remiss of me to not remind consumers of electricity, that there are measures they can take in their own homes and businesses to help further reduce the cost of power and therefore lower their bills from CUC.

Simple things, such as unplugging chargers for electronic devices when not in use, raising your air conditioning thermostat by one degree, unplugging your water heater when not in use, using energy efficient appliances and other energy saving measures can go a long way in reducing your power consumption and therefore your electricity bill.

This Government remains committed to easing the economic pressures on our people and businesses. As you know, Madam Speaker, we are in the throes of yet another budgeting season and continue to seek ways to bring about a conservative budget with no tax increases while continuing to reduce the cost of living as best we can for the people of these beloved Isles.

I am pleased on behalf of the Government to bring this good news to the Legislative Assembly and will note in closing that this reduction in fuel is yet another Progressive manifesto promise kept, along with one man, one vote, and a national minimum wage. Thank you Madam Speaker.

#### **SHORT QUESTIONS**

[Standing Order 30(2)]

**The Speaker:** I recognise the Honourable Leader of the Opposition.

## Hon. W. McKeeva Bush, Leader of the Opposition: Thank you, Madam Speaker.

Under Standing Order 30(2), I crave to ask the Premier, he's not the Minister responsible, nor is he the Minister of Finance, but anyway, he is speaking, and I ask him to answer one or two questions.

The Speaker: Allowed.

### Hon. W. McKeeva Bush, Leader of the Opposition:

Just a short question to the Premier, Madam Speaker.

Can he say what is the savings per household as he has given here when he says that their May bill, when the average household's CUC bill is projected to be about \$256.30? Had there been no duty reduction

the average residential bill for May 2015 is projected at approximately \$271.50. Can he tell me what this great amount of savings is, and if he recalls that my suggestion to them was that the best thing they could have done was to take the \$8 million they claimed they are losing and help those persons who have lost their electricity?

The Speaker: Honourable Premier.

**The Premier, Hon. Alden McLaughlin:** Thank you, Madam Speaker.

The figures there are the projected savings for the average household electricity bill. And by my simple arithmetic, it works out to \$94.40 per household.

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush, Leader of the Opposition: Madam Speaker, I am looking at the fourth page and the fourth and fifth paragraphs. He said: "Next month consumers should be able to compare their September 2014 electricity bills when the average household's electricity bill was approximately \$350.70, to their May bill, when the average household's CUC bill is projected to be about \$256.30. Had there been no duty reduction, the average residential bill for May 2015 is projected at approximately \$271.50."

So, presumably because the Government is giving a reduction, the bill will not be \$271, it would be \$256. Correct?

**The Speaker:** If there are no further questions to this statement we will move on to the next statement.

Honourable Minister of Financial Services.

## MODERNISATION OF CAYMAN'S INTELLECTUAL PROPERTY PROTECTION REGIME

Hon. G. Wayne Panton: Thank you, Madam Speaker.

Madam Speaker I wanted to make a statement this morning in connection with the Modernisation of Cayman's Intellectual Property [Protection] Regime.

Madam Speaker, the global economy has developed in both complexity and sophistication over the past few decades. And, accordingly, as a leading international financial centre, Cayman's economy has grown in tandem. As a driver of this economic evolution, the innovation and creativity of modern technology is leading to new ways—and new types—of business; just as significantly, it's transforming our personal lives. Yet, even as it permeates all aspects of our professional and personal endeavours, technology still continues to evolve, as fresh ideas are conceived and brought into reality.

Underpinning this constant sea change of activity—and bringing logic and ethics to it—is the pro-

tection of a person's rights to benefit from their creativity. These rights, rights relating to a person's intellectual property, are critical to encourage the application of technology in any economy.

Madam Speaker, the protection of intellectual property is categorised in several key areas: patents, copyrights, trademarks, design rights and trade secrets. Basic protection in these areas is necessary for economic success; advanced protection is critical to allow creativity in any economy to really flourish. It is with this understanding that the Government has begun the process of modernising the intellectual property protection regime in the Cayman Islands.

Madam Speaker, Honourable Members of the Legislative Assembly should be aware that on 19 March this year, at our request, the UK extended its 1988 Copyright Act to the Cayman Islands through the Copyright (Cayman Islands) Order, 2015, as passed by the Privy Council.

This was the first major milestone in Government's efforts. In order to extend the 1988 Copyright Act to Cayman, the extension of the UK's 1956 Copyright Act had to be revoked first. Both actions were accomplished through the new Copyright (Cayman Islands) Order 2015. Madam Speaker, as indicated in the Order, I note that the extension of the 1988 Copyright Act is subject to changes requested by the Cayman Islands Government.

Although passed, the 2015 Order that gives effect to the 1988 Copyright Act will not come into force in the Cayman Islands until a commencement date has been determined. It is anticipated that there will be at least a six-month period before commencement, to allow the Ministry of Commerce to conduct a public education campaign and to make necessary arrangements for local implementation.

Madam Speaker, there are other initiatives underway to strengthen our intellectual property regime. The next major step is the introduction of a local register for trademarks. I expect to bring a new Trade Marks Bill to this Honourable House in the next few months.

Currently, registration of trade marks must first be done in the UK, and then extended to Cayman. This introduces extra costs and steps to the registration process. There are also other costly requirements to use a trade mark in the UK, which serve to prevent a challenge to the trademark.

A local trade mark registration system will make this protection more accessible to local individuals and companies. It also will allow the exclusion of specified words that can be protected in the UK, but which should not be restricted to any individual or company locally (for example, the word 'Cayman').

Further to this, Government is seeking to improve the ability of local trade mark holders to extend these rights internationally, through several international treaties and conventions.

New trademarks legislation will require a repeal of the current Patents and Trade Marks Law. Because we are creating separate marks legislation, Madam Speaker, we subsequently will need to create a new, separate law for patents. Other than a few small changes, this legislation essentially will include the same elements of the current Patents law.

The focus on the patents side is to allow access by local persons to the international patent system. This access, through what is known as the Patents Cooperation Treaty, would allow entities in the Cayman Islands to apply for patent protection in more than 140 countries.

Madam Speaker, my Ministry has been and continues to work closely with the UK's Intellectual Property Office to take the necessary steps for our IP modernisation. Their assistance during the first modernisation phase has been invaluable, and we are grateful for their ongoing support, as we move into the second phase of our reform process.

Madam Speaker, I already have alluded to the importance of IP protection, and provided an outline of our three main areas of focus, again, these being copyrights, trademarks, and patents. I would, however, take a few minutes to go into more detail on why this initiative is important.

There are several notable benefits to modernising Cayman's copyright protection. First, there is the protection for locally created content. Our artists and musicians are world class, and while this is recognised locally, there is a strong need for Cayman to meet international standards in order to ensure that the rights of our creative community can be recognised and protected abroad.

Second, by modernising Cayman's IP standards, our economy will become even more attractive to foreign investment in areas for which IP protection is important. We have an opportunity to see technology-based businesses flourish in Cayman, particularly through synergies with already established industries.

Third, by recognising IP rights of entities from other jurisdictions, there is the potential to broaden our local access to goods and services from other markets. There are other potential benefits—from government revenue, to job creation, to overall economic growth—but there is no denying the significance that a modern IP protection regime plays in a world that is driven by technology.

Madam Speaker, before I close, I bring to this honourable House's attention that while there are clear benefits to IP modernisation, there also are several impacts to consider. The primary concern will be if businesses or individuals are infringing on the IP rights of others. If the holder of the rights identifies that their rights are being infringed, they may decide to take legal action. This, at a minimum, could lead to the seizure of goods, but also may involve fines, penalties or damages, depending on the extent of the infringing activity. It is these impacts that we seek to

bring clarity to and manage with the education program mentioned earlier to avoid misinformation creating mischief and undue concern.

However, I must emphasise that intellectual property is an asset, one that is critical to many businesses for a variety of reasons. Infringing those rights therefore is akin to theft, whether intentional or otherwise. This simply is common sense, and common decency. Logically and ethically, businesses and individuals should have the right to benefit from their works, as this will justify not only their creativity and innovation, but also the time, energy, and cost that goes into creating an IP asset.

In closing, Madam Speaker, while we already have achieved a significant milestone in modernising our IP protection regime, there is much left to be done. Nevertheless, with the support of the Honourable Members of this House, industry, and other key stakeholders, we will enhance this foundation for the long-term growth, and the economic diversity and success, of our Islands.

Thank you, Madam Speaker.

**The Speaker:** I recognise the Minister of Financial Services to make his final statement for the day.

#### COMMENCEMENT OF PARTS 3, 4 AND 6; SECTION 50; AND SCHEDULES 1, 3 AND 4 OF THE NATIONAL CONSERVATION LAW

Hon. G. Wayne Panton: Thank you, Madam Speaker

This is a statement in connection with Commencement of parts of the National Conservation Law

Madam Speaker, in September last year I informed the Honourable Members of this House that the implementation stage of the National Conservation Law, 2013, had been formally initiated.

Today, it is my pleasure to say that Parts 3, 4 and 6; section 50; and Schedules 1, 3 and 4 of the Law will commence on Earth Day 2015, which is Wednesday, 22 April. Madam Speaker, it is so appropriate, so perfect, for the Cayman Islands to celebrate Earth Day by providing an even greater legislative protection to our precious environment, for the betterment and enjoyment of our residents and visitors.

The NCL was passed on 13 December 2013, and Government continues to make steady progress on its full implementation.

In September 2014, Parts 1 and 2 of the Law, as well as Schedule 2, were commenced in order to provide necessary definitions, key terms, phrases, and the administrative framework necessary for implementing the remaining parts of the NCL. Following this, the National Conservation Council was established, and based on the recommendations given by the Council, the commencements that will take place on Earth Day has been approved through Cabinet.

Madam Speaker, Part 3 addresses conservation of land. It sets out the processes by which Cabinet may designate areas of Crown Land as protected areas, and the processes by which Cabinet may enter into agreements with willing landowners for private land to be designated as conservation areas.

Part 4 addresses conservation of wildlife. It deals with the process of adding or removing species from the lists of protected species, as well as the measures to conserve and protect these species locally and internationally.

Part 6 provides for the enforcement of the law, including the setting of penalties for offences as well as the compensations and other protections afforded to the public under the Law.

Madam Speaker, as noted, section 50 and schedules 1, 3 and 4, also will commence on 22 April. Section 50 empowers Cabinet to make regulations under the law for various purposes.

Schedule 1 lists those species of wildlife protected in the Cayman Islands. The wildlife are categorised as either Part 1 species, or Part 2 species.

Part 1 species are protected at all times, except for those exemptions provided for in Part 5 of the Law (dealing with permits and licenses) or under Marine Conservation Law Regulations, for example, turtle licensing. Part 2 species are only protected if a conservation plan or regulations have been enacted, and the example is the Queen Conch or conchs, as we typically refer to them.

Madam Speaker, Schedule 3 outlines the content required in a management plan for a protected area.

Lastly, Schedule 4 delineates and adopts the current animal sanctuaries, as found in the revised Animals Law.

Madam Speaker, the remaining parts of the law are Part 5, which deals with licenses and permits, and Part 7, which addresses general matters. The National Conservation Council is presently working on a commencement plan for these parts, with a view to recommend their implementation by the last quarter of 2015. In this event, the full National Conservation Law would be implemented.

Madam Speaker, I am proud of the work that has been done over the years to develop and implement the National Conservation Law. I am grateful that Cayman can now point to a legislative framework that speaks to our love, protection and appreciation of our environment.

Lastly, Madam Speaker, in addition to Earth Day, Cayman is joining the world in celebrating April as Earth Month. We are doing so not to 'follow fashion', as we say, but because we know that what we have here, on land and in the sea, is beautiful, tremendously valuable and yet fragile.

I therefore ask everyone in the Cayman Islands to participate in our Earth Month and Earth Day observances, and to continue being environmentally

responsible year-round. Doing so will speak volumes about our love, protection and appreciation of our environment and the respect that is due to our dear homeland.

Thank you, Madam Speaker.

#### **SHORT QUESTIONS**

[Standing Order 30(2])

The Speaker: I recognise the Member for East End.

**Mr. V. Arden McLean:** In accordance with Standing Order 30(2), I wonder if I can ask the Minister a few short questions.

The Speaker: Yes, certainly.

**Mr. V. Arden McLean:** I wonder if the Minister can tell us if the regulations for the National Conservation Law have been gazetted.

**The Speaker:** Honourable Minister responsible for the Environment.

Hon. G. Wayne Panton: Madam Speaker, there are regulations which exist currently under the Marine Conservation Law, and the National Conservation Law provides that once the relevant section is brought into effect there is a saving provision which effectively continues those regulations under the NCL as if they had been adopted under that.

Section 50, which I noted that we are proposing to bring into effect next week with the other Parts and the Schedules, provides for Cabinet to make additional regulations. The next step will be the drafting of regulations in relation to environmental impact assessments, and that has been authorised and is ongoing at present.

**The Speaker:** Member for East End.

Mr. V. Arden McLean: Madam Speaker, as I recall when we did this in December 2013, the Government promised that the reason they did not have the regulations was because they were going to use the Conservation Law, which was being repealed and they were going to use those regulations until Government could get to it and it was due shortly. A year or more has passed. Can the Minister give us a definitive time when the regulations, other than the Marine Conservation Regulations, will be in place to effect this law?

**The Speaker:** Honourable Minister of the Environment.

**Hon. G. Wayne Panton:** Madam Speaker, if I am understanding the Member's question correctly, it seems to me that perhaps there is an overlap between his perspective in relation to the regulations that we indi-

cated would continue under the National Conservation Law which originally was established under the Marine Conservation law and the separate regulations which could be a number of areas. The one specific area that has been authorised and is being worked on in terms of the drafting at this point relates to the Environmental Impact Assessments. Those regulations which are relevant to sections 41, 42 and 43 of the NCL fall under Part 7 of the law which is the part that will be brought into effect subsequently.

The National Conservation Council has been working very hard on agreeing the process and deciding exactly how the environmental impact assessment regulations would work. They worked out a flow chart, they have worked out all the criteria that will apply, and they have worked out the circumstances within which these criteria will be applied. Those regulations are currently being drafted after the extensive work that the National Conservation Council has done to work out the process and the details in respect of that.

I hope that answers the Member's question.

The Speaker: Honourable Member for East End.

Mr. V. Arden McLean: Madam Speaker, by no stretch of the imagination am I any lawyer, worse, a drafting one. But my understanding of a law is that the operation for that law is put in regulations, secondary legislation. This law was put in place, the NCL, with different sections being enforceable, put in place at different times, coming into force at different times. How are we operating the parts that have already been put in place? Is it under the Marine Conservation Law regulations?

**The Speaker:** Honourable Minister responsible for the Environment.

Hon. G. Wayne Panton: Madam Speaker, I suppose I can start generally by saying that the primary legislation will sometimes, in general, authorise regulations to be adopted by Cabinet where they are appropriate, where they are necessary, where they are specified by the primary legislation. In this case, the regulations that are required for the various parts that have been adopted have been authorised . . . sorry, the parts that have been adopted, no regulations are currently required.

We are proposing to adopt or commence, specifically section 50, which is a section of the law which authorises Cabinet to create regulations generally in relation to any particular area of the law which may at any point in time appear necessary to assist the interpretation and application and enforcement of the law and its various provisions. But we are certainly at this point adopting section 50 as of next week to allow Cabinet the power to create those regulations. And the first set of regulations that are being consid-

ered specifically under this law will be the environmental impact assessment regulations.

The existing regulations in relation to marine parks have existed previously under the Marine Conservation Law. Those regulations will continue to exist under the NCL unless and until they have been repealed and replaced by the action of this Cabinet (or a future Cabinet) under the NCL.

The Speaker: I will allow this final short question.

#### Mr. V. Arden McLean: Thank you.

As I recall, when we moved the motion and it was adopted here, I moved the motion on spearguns and parts; that was under section twenty-something which would be in Part 1 of the—

[Inaudible interjection]

#### Mr. V. Arden McLean: That's Part 5?

But, Madam Speaker, if such is the case and Part 5 is only now coming into being, Madam Speaker, I wonder . . . I do not know if [section] 50 says it is only for that section, Part 5 or Part 7, that Cabinet can make regulations, because, why are we enforcing the regulations of the Marine Conservation Law that requires us, or. . . forget requires us, but the Marine Regulation Law is governing spearguns and here we are still utilising that, but we do not put the section in there, or amend those regulations to allow spearguns to be used and licensed and parts to be brought in. Why do we not amend that since the law makes provision for it? This honourable House approved it.

**The Speaker:** Honourable Minister responsible for the Environment?

Hon. G. Wayne Panton: Madam Speaker, thank you. In relation to the Member's question, the regulations . . . well, let me step back.

Part 5, as I mentioned, and Part 7 of the Law are proposed to be brought into effect later this year. The National Conservation Council, having been involved heavily with the issue of the environmental impact assessment regulations and the process, remembering that the National Conservation Council has broad representation, including the districts, including various significant government departments and entities which might have an interest in the process, they have spent a great deal of time working on that. On their recommendation we are now moving forward with the commencement as I have outlined.

They are now at this point moving to deal with licensing and permits and the issues around that, because there are complexities in relation to that, in that they would like to ensure that it reflects fairness and consistency. So, having section 50 in place, which authorises Cabinet to create regulations, when we get to later on in the year commencing Parts 5 and 7 of

the Law, which Part 5 deals with the licensing and permits that the Member is referring to, that will . . . sorry, the Council will then be in a position, having prepared the necessary recommendations and the outlined process, to refer to Cabinet for the authorisation of any changes to regulations to reflect the Law that might be appropriate.

[Inaudible interjection]

**Hon. G. Wayne Panton:** I cannot really add anything more than that to the question by the Member, Madam Speaker.

**The Speaker:** Honourable Clerk, we can move on to the next item of business.

#### QUESTIONS TO HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

#### SUSPENSION OF STANDING ORDER 23(7) AND (8)

**The Speaker:** We have passed the hour of 11:00 am. Is there a motion to suspend Standing Order 23(7) and (8)?

Honourable Premier?

**The Premier, Hon. Alden McLaughlin:** Madam Speaker, I move the suspension of Standing Order 23(7) and (8) in order that questions may be taken beyond the hour of 11:00.

**The Speaker:** The question is that Standing Order 23(7) and (8) be suspended.

All those in favour please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: Standing Order 23(7) and (8) suspended

## QUESTION 20—ELECTORAL BOUNDARIES COMMISSION APPOINTMENT

[Deferred]

**Mr. V. Arden McLean:** Can the Honourable Minister say when the Electoral Boundary Commission will be appointed in accordance with Government Motion No. 1/2014-2015?

**The Speaker:** Honourable Premier?

**The Premier, Hon. Alden McLaughlin:** Thank you, Madam Speaker.

As I think the Member will be aware, the question has been overtaken by events and the Electoral Boundary Commission was appointed some time ago. But I spoke to him privately and what I will do for his benefit and for that of the House is that tomorrow I will provide an update with respect to the Electoral Boundary Commission's work, which I think will be helpful not just to the Member, but more broadly to all Members of the House and the public.

**The Speaker:** Just for the record, is the Member seeking to withdraw the question? Are you satisfied with that answer? Or are you asking about deferral for the response?

The Premier, Hon. Alden McLaughlin: I am asking that the question be deferred. I can provide an update in the form of a response to the question.

The Speaker: Okay. That's what I thought.

So can we have a motion in accordance with [Standing Order] 23(5), where a Member of the Government, with leave of the House, may defer answering a question and put it for another day?

Honourable Premier?

#### MOTION FOR DEFERRAL

(Standing Order 23(5))

The Premier, Hon. Alden McLaughlin: Madam Speaker, in accordance with Standing Order 23(5), I move the deferral of Question No. 20 until tomorrow.

**The Speaker:** The question is that in accordance with Standing Order 23(5), Question No. 20 as it appears on today's Order Paper be deferred until tomorrow morning.

All those in favour please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: Question No. 20 deferred until 16th April 2015.

**The Speaker:** Are Members minded to take the lunch break now, or should we go through the first readings?

[Inaudible interjection]

**The Speaker:** Madam Clerk, we will go through with the First Readings.

#### **GOVERNMENT BUSINESS**

#### **BILLS**

#### FIRST READINGS

#### PROCEEDS OF CRIME (AMENDMENT) BILL, 2015

The Clerk: The Proceeds of Crime (Amendment) Bill, 2015.

**The Speaker:** The Bill is deemed to have been read a first time and is set down for second reading.

#### INTERNATIONAL INTERESTS IN MOBILE EQUIP-MENT (CAPE TOWN CONVENTION) BILL, 2015

**The Clerk:** The International Interests in Mobile Equipment (Cape Town Convention) Bill, 2015.

**The Speaker:** The Bill is deemed to have been read a first time and is set down for second reading.

#### **BILLS OF SALE (AMENDMENT) BILL, 2015**

The Clerk: The Bills of Sale (Amendment) Bill, 2015.

**The Speaker:** The Bill is deemed to have been read a first time and is set down for second reading.

## CIVIL AVIATION AUTHORITY (AMENDMENT) BILL, 2015

**The Clerk:** The Civil Aviation Authority (Amendment) Bill, 2015.

**The Speaker:** The Bill is deemed to have been read a first time and is set down for second reading.

## DIRECTORS REGISTRATION AND LICENSING (AMENDMENT) BILL, 2015

**The Clerk:** The Directors Registration and Licensing (Amendment) Bill, 2015

**The Speaker:** The Bill is deemed to have been read a first time and is set down for second reading.

#### **IMMIGRATION (AMENDMENT) BILL, 2015**

**The Clerk:** The Immigration (Amendment) Bill, 2015.

**The Speaker:** The Bill is deemed to have been read a first time and is set down for second reading.

#### **CORONERS (AMENDMENT) BILL, 2015**

The Clerk: The Coroners (Amendment) Bill, 2015

**The Speaker:** The Bill is deemed to have been read a first time and is set down for second reading.

The House will now suspend for the lunch break and reconvene at 2:30 pm.

#### Proceeding suspended at 1:10 pm

#### Proceedings resumed at 2:55 pm

**The Speaker:** Please be seated. Proceedings are resumed.

The Clerk: Second readings.

#### **BILL**

#### **SECOND READING**

#### PROCEEDS OF CRIME (AMENDMENT) BILL, 2015

**The Clerk:** The Proceeds of Crime (Amendment) Bill, 2015.

**The Speaker:** I recognise the Honourable Attorney General to move the Second Reading of the Bill.

[Inaudible interjection]

Hon. Samuel W. Bulgin: Thank you, Madam Speaker.

The Speaker: Has there been a change?

**Hon. Samuel W. Bulgin:** The Honourable Minister of Financial Services has conduct of this particular Bill. Thank you.

**The Speaker:** I recognise the Honourable Minister of Financial Services.

Hon. G. Wayne Panton: Thank you, Madam Speaker.

I beg to move the Second Reading of a Bill entitled The Proceeds of Crime (Amendment) Bill, 2015.

**The Speaker:** The Bill has been duly moved. Does the Honourable Minister wish to speak on it?

**Hon. G. Wayne Panton:** Thank you, Madam Speaker, very briefly.

I rise to present the Bill on behalf of the Government. It is a Bill for a law to amend the Proceeds of Crime Law [(2014 Revision)] by deleting paragraph (b) of section 5(1) of the Law and replacing it with a new paragraph (b) which would read: "the Chief Officer in

the Ministry responsible for Financial Services or the Chief Officer's designate;".

Madam Speaker, just briefly, the genesis of this is in connection with the establishment of the specific Ministry and the change from the involvement of the Financial Secretary on the Anti-money laundering steering group, and to allow the Chief Officer for the Ministry to sit on that steering group in his place. I would like to thank the Financial Secretary for the role that he has performed on that steering group. Certainly, there will be ongoing opportunity for his involvement in these related matters. So with those brief comments, Madam Speaker, I commend this Bill to this honourable House for passage.

**The Speaker:** Does any other Member wish to speak? Final call, does any other Member wish to speak? If not, I will call on the Honourable Minister of Financial Services if he wishes to exercise his right of reply.

Hon. G. Wayne Panton: Thank you, Madam Speaker, just to acknowledge Members' support in relation to this short Bill.

**The Speaker:** The question is that a Bill shortly entitled the Proceeds of Crime (Amendment) Bill, 2015, be given a second reading.

All those in favour please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: The Proceeds of Crime (Amendment) Bill, 2015, given a second reading.

#### BILL

#### **SECOND READING**

## INTERNATIONAL INTERESTS IN MOBILE EQUIPMENT (CAPE TOWN CONVENTION) BILL, 2015

**The Clerk:** The International Interests in Mobile Equipment (Cape Town Convention) Bill, 2015.

**The Speaker:** I recognise the Honourable Minister responsible for Financial Services.

**Hon. G. Wayne Panton:** Thank you, Madam Speaker.

I beg to move the Second Reading of a Bill entitled the International Interests in Mobile Equipment (Cape Town Convention) Bill, 2015.

**The Speaker:** The Bill has been duly moved. Does the Honourable Minister wish to speak to the Bill?

Hon. G. Wayne Panton: Thank you, Madam Speaker

I rise to present the Bill on behalf of the Government. It is a Bill for a Law to repeal and replace the Cape Town Convention Law, 2009; to give effect to the Convention on International Interests in Mobile Equipment and the Protocol thereto on matters specific to aircraft equipment which was concluded at Cape Town, South Africa on 16 November 2001 and the declarations made by the Cayman Islands in respect thereof; and for incidental and connected purposes.

Now, Madam Speaker, this Bill will introduce required legislation to give the Convention on International Interests in Mobile Equipment and the Protocol thereto on matters specific to aircraft equipment which I will refer to as "the Convention" for brevity, the force of law in the Cayman Islands.

The Convention is an international private law treaty which is designed to standardise cross-border financing and leasing of high value transactions involving moveable property such as aircraft and the financing transactions in relation thereto which often rise and utilise Cayman Islands vehicles. In particular, the aim of the convention is to facilitate the financing of the acquisition of aircraft, facilitate the utilisation of asset based financing and leasing of aircraft, and ensure that interest in aircraft is recognised and protected universally and, lastly, to provide broad and neutral economic benefit for all interested parties in relation to the financing, leasing and utilisation of aircraft.

Madam Speaker, in 2009 the Cayman Islands enacted the Cape Town Convention Law (2009) (which I will refer to as the "2009 Law"), which was designed to give local effect to the Convention and hoped to be an effective way to deal with the fact that the Cayman Islands was not a contracting party to the Convention. So the 2009 Law was a substitute and it was hoped that that would be sufficient. Now, while that was welcomed by some, it did not provide the full desired effect and, as many others, including important financing institutions and national export and credit support institutions, such as the US Export-Import Bank, placed a greater emphasis on the fact that Cayman did not have international recognition as a contracting party to the Convention. Therefore, the effects of the 2009 Law were considerably restricted and the success was limited.

Consequently, Cayman vehicles have not been able to participate in a variety of transactions which otherwise might have been structured to include Cayman Islands business vehicles, but were instead being structured with vehicles domiciled in competing jurisdictions that are a party to the Convention.

So, Madam Speaker, the extension of the Convention to the Cayman Islands is anticipated to have a significant positive effect on our aircraft finance

industry by re-establishing the Cayman Islands as an attractive jurisdiction to aircraft finance investors and to their service providers.

Madam Speaker, the Bill is arranged into three parts. Part 1 deals with clauses 1 and 2 and addressed the short title and commencement. It defines new expressions and interpretations used in the Bill which relate specifically to the Convention. Part 2 includes clauses 3 through 5 and contains provisions relating to the Convention having the force of law in the Cayman Islands, and the Cabinet having powers to amend or revoke the declarations to be made by the Cayman Islands in respect of the Convention which allows the Cayman Islands to amend or supplement certain provisions of the Convention as it sees fit.

It also provides that the Grand Court shall be the relevant court in the Cayman Islands for the purposes of the Convention.

Madam Speaker, the Convention must be given the force of law in the Cayman Islands in order for the United Kingdom to accept our request for the Convention to be extended to the Cayman Islands. This will allow for the rules of the Convention and its associated protocols and regulations to govern the relevant aspects of aircraft financing, leasing, registration and mortgaging in the Cayman Islands, and, thereby, fulfil our obligations as a contracting party to the Convention.

Part 3 includes clauses 6 through 7, as well as Schedules 1 through 3, and contains provisions relating to the repeal of the 2009 Law which will replace it with this proposed legislation. Additionally, a provision is included to allow this proposed legislation to prevail over any conflicting law in the Cayman Islands from any matter governed by the Convention.

Madam Speaker, careful consideration has been given to the repeal of the 2009 Law and, as such, the repeal will not affect any of the following items:

- a. the previous operation of the 2009 Law or anything duly done or suffered under the 2009 Law;
- any right, privilege, obligation or liability acquired, accrued or incurred under the repealed Law;
- any penalty, fine, forfeiture or punishment incurred in respect of any offence committed against the 2009 Law; or
- d. any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, fine, forfeiture or punishment referred to in this section; and any such investigation, legal proceedings or remedy which may be instituted, continued, or enforced, and any such penalty, fine, forfeiture or punishment may be im-

posed as if this proposed legislation had not been passed.

Madam Speaker, the Bill contains Schedules 1 through 3, which consist of the Convention, its aircraft protocol and the specific declarations to be made by the Cayman Islands.

Madam Speaker, as the Convention is an international treaty, it must be extended to the Cayman Islands by the United Kingdom. We have requested this extension of the United Kingdom; they, in turn, reviewed the Bill and, due to the timing issues, a number of amendments have arisen which are required to be made to the Bill, subsequent to the Bill being gazetted on 16<sup>th</sup> January. So, we will have proposals with respect to committee stage amendments.

Madam Speaker, this concludes my presentation on this Bill. In closing I would like to state that a tremendous amount of time and consideration was taken to review the Convention and prepare the Bill. As such, I wish to thank very much, on behalf of Government, the local Cape Town working group members for their efforts and their willingness to assist with this highly technical legislation.

Madam Speaker, this, like many other instances where Government works with the private sector is an example of how we can work together very effectively to address the specific needs of the country, to identify particular issues that help to build the specific industries that we have, to build our economy, to make laws and institute regulations which serve the interests of the country. The time which is being spent by many members in the private sector, as well as on the Government side, is significant and we very much appreciate the level of cooperation and the level of contribution which has been made specifically in relation to this Bill, but generally as well.

So, again, I would like to thank very much the Cape Town working group. This involved members of the Civil Aviation Authority. It involved members of the Ministry and members of the private sector. Their contributions have been incredible, have been very significant, and have been very welcomed.

With that, I therefore commend the International Interests in Mobile Equipment (Cape Town Convention) Bill, 2015, to honourable Members of this House for passage.

**The Speaker:** Does any other Member wish to speak? [pause] Does any other Member wish to speak? [pause] Final call: Does any other Member wish to speak?

If not, I will call on the Honourable Minister responsible for Financial Services in the event he wishes to exercise the right of reply

**Hon. G. Wayne Panton:** Thank you, Madam Speaker, just to acknowledge the tacit support of Members of this honourable House and thank them very much.

**The Speaker:** The question is that a Bill shortly entitled The International Interests in Mobile Equipment (Cape Town Convention) Bill, 2015, be given a second reading.

All those in favour please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: The International Interests in Mobile Equipment (Cape Town Convention) Bill, 2015, given a second reading.

#### **BILL**

#### **SECOND READING**

#### **BILLS OF SALE (AMENDMENT) BILL, 2015**

The Clerk: The Bills of Sale (Amendment) Bill, 2015.

**The Speaker:** I recognise the Honourable Minister responsible for Financial Services.

Hon. G. Wayne Panton: Thank you, Madam Speaker.

I beg to move the Second Reading of a Bill entitled The Bills of Sale (Amendment) Bill, 2015.

**The Speaker:** The Bill has been duly moved. Does the Honourable Minister wish to speak to the Bill?

**Hon. G. Wayne Panton:** Thank you, Madam Speaker, just briefly.

The amendments proposed to the Bills of Sale Law are driven by the anticipated extension of the Cape Town Convention to the Cayman Islands by the United Kingdom. As indicated on the earlier Bill, the Convention is a private law treaty that aims to standardise the transactions involving moveable property, including aircraft, which utilises Cayman Islands business vehicles. Specifically, this Bill proposes to add the expressions "Cape Town Convention", "aircraft objects", "Aircraft Protocol", and "international interests" as new definitions to the Bills of Sale Law, all of which are expressions that are defined under the Cape Town Convention.

In addition, Madam Speaker, the Bill proposes to amend the definitions of "bills of sale", "personal chattels" under the Bills of Sale Law. The Bill proposes to clarify that a bill of sale does not include the transfer or assignment of any aircraft object, or that the definition of personal chattels does not include international interests.

Madam Speaker, as indicated previously, we have requested that the United Kingdom extend the Cape Town Convention to the Cayman Islands, sub-

ject to our passage of certain legislative amendments to ensure that local laws, such as the Bills of Sale Law, are in compliance with the Convention. Accordingly, the decision to recommend that the Bills of Sale Law be amended was made following extensive consultation with local aircraft finance specialists, the Civil Aviation Authority and the Department for Business Innovation and Skills of the United Kingdom Government. The result of that consultation was a determination that the proposed amendments, as set forth in this Bill, Madam Speaker, are necessary.

So, Madam Speaker, in conclusion, the Cayman Islands have sought to become a contracting party to the Convention, and the proposed amendments as set forth in this Bill to the Bills of Sale Law, are a crucial set of the process to satisfy the United Kingdom that the Cayman Islands is fully prepared to become a compliant contracting party to the Cape Town Convention. I therefore commend the Bills of Sale (Amendment) Bill, 2015, to this honourable House for passage.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? Final call, does any other Member wish to speak?

If not, I will call on the Honourable Minister of Financial Services to respond.

**Hon. G. Wayne Panton:** Thank you, Madam Speaker, just to acknowledge the support of Members of this honourable House.

**The Speaker:** The question is that a Bill shortly entitled The Bills of Sale (Amendment) Bill, 2015, be given a second reading.

All those in favour please say Aye. Those against, No.

AYES.

**The Speaker:** The Ayes have it.

Agreed: The Bills of Sale (Amendment) Bill, 2015 given a second reading.

**The Speaker:** I recognise the Honourable Minister of Financial Services again.

#### BILL

#### **SECOND READING**

## CIVIL AVIATION AUTHORITY (AMENDMENT) BILL, 2015

**The Clerk:** The Civil Aviation Authority (Amendment) Bill, 2015.

**Hon. G. Wayne Panton:** Madam Speaker, I beg to move the Second Reading of a Bill entitled the Civil Aviation Authority (Amendment) Bill, 2015.

**The Speaker:** The Bill has been duly moved. Does the Honourable Minister wish to speak to the Bill?

**Hon. G. Wayne Panton:** Thank you, Madam Speaker, just very briefly.

I rise to present the Bill on behalf of the Government. It is a Bill for a Law to amend the Civil Aviation Authority Law (2005 Revision) and to make further provision in respect of the registration of aircraft mortgages; and to make provision for incidental and connected matters.

As stated in the Memorandum of Objects and Reasons, the subject of the registration of aircraft mortgages was originally made possible by the Mortgaging of Aircraft Regulations 1979, which is a statutory instrument made by the then Governor under the purview of the United Kingdom at a period when the subject was included in the area of civil aviation strictly reserved to the United Kingdom.

To date, the Civil Aviation Authority has carried out the function of registration of aircraft mortgages pursuant to the Mortgaging of Aircraft Regulations 1979. Following consultation with the United Kingdom, the Cayman Islands proposes to enact local legislation in respect of the registration of aircraft mortgages, as has been done in other British Overseas Territories. Doing so will consequently give us here in the Cayman Islands far greater autonomy than we have had in the past in relation to this area.

So this Bill confers the function of creating and maintaining an aircraft mortgage register on the Civil Aviation Authority of the Cayman Islands under the Civil Aviation Authority Law.

The Bill also provides for new definitions for "mortgages of aircraft" and "mortgage register" that will empower Cabinet to make regulations relating to the registration of mortgages of aircraft and prescribing fees in respect of matters relating to an aircraft mortgage register.

Importantly, the Bill also provides a validation provision which ensures that acts carried out by persons, chiefly personnel of the Civil Aviation Authority of the Cayman Islands, in exercise of matters contemplated under the Mortgaging of Aircraft Regulations 1979, in order to preserve such acts up to the date of commencement of the proposed amendments as set forth in the Bill. So, there will be a validation of all such acts and a saving in respect of that.

Madam Speaker, the Bill is fairly concise. I think what I have outlined is sufficient to give Members clarity in respect of the provisions of the Bill. With that, I simply commend the Civil Aviation Authority (Amendment) Bill, 2015, to this honourable House for passage.

**The Speaker:** Does any other Member wish to speak? [pause] Does any other Member wish to speak? [pause] Final call, does any other Member wish to speak?

If not, I will call on the Honourable Minister of Financial Services to respond.

**Hon. G. Wayne Panton:** Thank you, Madam Speaker. I appreciate the tacit acknowledgement, acceptance and support of this by Members of this honourable House.

**The Speaker:** The question is that the Civil Aviation (Amendment) Bill, 2015, be given a second reading.

All those in favour please say Aye. Those against, No.

AYES.

**The Speaker:** The Ayes have it.

Agreed: The Civil Aviation (Amendment) Bill, 2015 given a second reading.

#### **BILL**

#### **SECOND READING**

## DIRECTORS REGISTRATION AND LICENSING (AMENDMENT) BILL, 2015

**The Clerk:** The Directors Registration and Licensing (Amendment) Bill, 2015.

**The Speaker:** Honourable Minister of Financial Services.

**Hon. G. Wayne Panton:** Madam Speaker, I beg to move the Second Reading of a Bill entitled Directors Registration and Licensing (Amendment) Bill, 2015.

**The Speaker:** The Bill has been duly moved. Does the Honourable Minister wish to speak to the Bill?

**Hon. G. Wayne Panton:** Thank you, Madam Speaker, very briefly.

I rise to present the Bill on behalf of the Government. It is a Bill for a Law to amend the Directors Registration and Licensing Law, 2014, to make provision for an appeal to be made against the cancellation or suspension of registration and the revocation and suspension of a licence, to amend the Schedule.

Madam Speaker, the Law was gazetted on 21<sup>st</sup> of May 2014, and made provision for the establishment of a registration regime for directors and a licensing regime for professional directors and corporate directors of mutual funds regulated under the Mutual Funds Law (2013 Revision), and persons to whom paragraphs 1 and 4 of Schedule 4 of the Secu-

rities Investment Business Law (2011 Revision) applies.

Madam Speaker, at present the Directors Registration Licensing Law provides a registered director, a professional director or corporate director with the right of appeal to the Grand Court against the decision of the Cayman Islands Monetary Authority to revoke a licence granted under the Directors Registration Licensing Law, 2014. However, at present, it does not provide for the right to appeal the cancelation or suspension of registration or suspension of a licence.

Madam Speaker, the Bill will also update a section reference in the Schedule of the Directors Registration Licensing Law, 2014, as well, and add a new Overseas Regulatory Authority to the Schedule.

The Bill is arranged in two parts, Part 1 deals with amendments to the appeals process introduced by the Bill as outlined earlier, and, specifically, the Bill will provide a registered director, professional director, or corporate director with a right to appeal to the Grand Court against the decision of the Cayman Islands Monetary Authority to cancel or suspend registration or revoke or suspend a licence granted under the Directors Registration and Licensing Law, 2014. As mentioned previously, currently, the right of appeal only exists in relation to the revocation of licences.

Part 2 deals with amendments to the Schedule of the Law. The changes to the Schedule are designed to reference the correct section of the Directors Registration and Licensing Law (2014), and to add the Jersey Financial Services Commission to the list of Overseas Regulatory Authorities contained in the Schedule.

Madam Speaker, these are relatively minor changes. And, with that, I hope Members have a sufficient indication of the effects of this Bill. I therefore commend the Directors Registration and Licensing (Amendment) Bill, 2015, to this honourable House for passage.

Thank you.

**The Speaker:** Does any other Member wish to speak? [pause] Does any other Member wish to speak? [pause] Final call: Does any other Member wish to speak?

If not, I will call again on the Honourable Minister of Financial Services to respond.

Hon. G. Wayne Panton: Thank you, Madam Speaker.

Again, just to acknowledge the tacit support of Members of this honourable House which is appreciated very much.

**The Speaker:** The question is that a Bill shortly entitled Directors Registration and Licensing (Amendment) Bill, 2015, be given a second reading.

All those in favour please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: The Directors Registration and Licensing (Amendment) Bill, 2015 given a second reading.

#### **BILL**

#### **SECOND READING**

#### **IMMIGRATION (AMENDMENT) BILL, 2015**

**The Clerk:** The Immigration (Amendment) Bill, 2015.

**The Speaker:** I recognise the Honourable Premier.

The Premier, Hon. Alden McLaughlin: I beg to move the Second Reading of a Bill shortly entitled, the Immigration (Amendment) Bill, 2015.

**The Speaker:** The Bill has been duly moved. Does the Honourable Premier wish to speak to the Bill?

**The Premier, Hon. Alden McLaughlin:** Yes, Madam Speaker, and thank you.

Madam Speaker, Members will recall that in 2010 a new Immigration category with the title "Certificate for Specialist Caregivers" was introduced by the UDP administration to allow domestic helpers and certain others who were employed to care for sick, elderly, or persons with disabilities, to continue working in the same capacity notwithstanding that their term limit had expired and they were no longer entitled to be granted work permits.

There were various conditions attached to this category of worker, including a condition in Law that disallowed someone working with a Caregiver Certificate to apply for permanent residency, although they may have been here in excess of 10 years. This was an attempt to create what I would term a legal fiction since it was doubtful that this condition would withstand a challenge in court, because essentially what it required was that the time spent in Cayman under a Caregiver Certificate did not amount to legal and ordinary residence for the purposes of the Immigration Law. That, Madam Speaker, also took us back to a time when we allowed individuals to remain here for 15 or 20 years with no ability to apply for permanent residence and have some form of security of tenure.

As a country we have moved beyond this type of behaviour. And I do not believe it was wise for us to have backtracked at that point. So, given this particular concern, in October 2013, as part of immigration policy reform by this administration, a decision was taken to discontinue issuing new Certificates for Specialist Caregivers, but the renewal of existing certificates was allowed to continue.

I have to say, Madam Speaker, that since removing the ability to issue new Caregiver Certificates, we on this side have received many appeals to reinstate it, given the need. And I am confident that the Opposition has had similar petitions. So, when the Leader of the Opposition brought his Private Member's Motion in September last year, the Government was minded to support it, albeit on firmer legal and moral footing than the original amendment. But there are other reasonable conditions that we believe should apply.

The re-establishment of the Certificate will allow workers to stay up to 10 years beyond the end of their normal term limit on residence in the Islands, so long as they are still caring for the same individual. As indicated, the current Immigration Law allows those in specialist care occupations to stay in Cayman long enough to apply for permanent residency, and the same will apply to new caregivers. This is the right thing to do, we believe, Madam Speaker. And everyone who remains in Cayman long enough and contributes to society should have the ability to apply for permanent residence and, if successful, to eventually go on to apply for the right to be Caymanian. But everyone must understand and realise that in doing so, they will be required to undergo the same process as anyone else who applies for permanent residence, including acquiring sufficient number of points under what some will regard as a strict point system, and they will also be required to pay the usual fees.

Madam Speaker, many of us in this Chamber know the difficulty of finding a non-Caymanian nurse or domestic who is reliable and able to care for the elderly, infirmed or disabled in our families. Once we do find such a caregiver, the patient, as well as the family, become attached and reliant on that person, and become distressed if the caregiver is rolled over, as we say. So, as I said, we in the Government are sympathetic and our struggle has been to reconcile the desire to have these persons long term with the concerns about how they fit in to our Immigration regime.

Under our proposal the domestic helper who is the subject of the application for Certificate of Specialist Caregiver must be on their final work permit before the expiration of their term limit, or be working under permission granted following the submission of an application for permanent residence. If the final work permit or permission has expired, the application for the Certificate may be made if the worker is otherwise still legally resident in the Islands. If the final work permit has expired and the worker has left the Islands, an application for a Certificate must be made within one year from the date of the worker's departure.

The worker's final work permit must be for employment, whether by a private employer, government or nursing home approved by Cabinet, as a domestic helper, nurse or nanny, or in some other caregiving capacity, and must have been working in that capacity for at least three years immediately prior to the application.

We have made adjustments to the original provisions to remove references to the final non-renewable work permit which was removed as a facility in the October 2013 policy changes. We have also had to make a change in the Immigration Regulations to create an application fee for the grant of a Certificate for Specialist Caregiver. Those who obtain such a Certificate will be able to apply for permanent residence once they have reached at least eight years of continuance residence on the Islands.

The Certificate for Specialist Caregivers adds a fourth option in the Immigration regime that allows a caregiver to apply for a five year extension to continue working for the same family. The extension lasts only as long as the caregiver works for the same person or family and cannot be transferred to another individual. Also, if the elderly, sick or disabled person dies, or if the condition of an ill or disabled individual improves, the caregiver permit would end.

Ultimately, these amendments are about compassion for the elderly, infirmed and disabled, giving them and their families' peace of mind that their care will be continued by someone who is known to them and who helps them to maintain their quality of life. What these amendments intend to do, Madam Speaker, is to show sympathy and compassion to those weakest in our society who need the special care, as well as their families, and also to those who provide the much-needed assistance.

Madam Speaker, before winding up my introduction to this important Bill, I feel compelled to address an editorial in the <u>Cayman Compass</u> of April 7 of this year, in particular the comment made in that editorial that "The caregiver certificate is the 'quick and dirty' way of avoiding what amounts to an immigration inconvenience for Caymanians, but it does nothing to address the underlying problem, (i.e.), that Cayman's immigration system fails to meet the needs of our country's employers and does not allow for the fair, equitable and transparent treatment of all foreign workers."

Madam Speaker, I will start by explaining to the *Compass'* editorial board that a country's immigration laws are created to suit the unique needs of the country. Where there are specific needs for employment, then, immigration policy and immigration laws will address those specifically. Countries looking for nurses will allow special conditions in immigration policy or law so as to attract and maintain nurses. In terms of the Caregiver Certificates, Government has identified a special need and is certainly paying heed to the needs of the employers of these individuals. And the caregiver will have the same opportunities as anyone else to apply for permanent residence. We think this is only fair.

What is the editorial board suggesting? That there should be some special provision which guarantees caregivers permanent residence in a way that no other segment of the community and of people who are working on work permits have? What the new provisions that we are including will do, which the previous provision did not do, is allow caregivers to have the same opportunity as any other person who is resident in the Cayman Islands for eight years, that is, the opportunity to apply for permanent residence. This is but fair, we think.

But certainly not everyone will be able to remain if they are unable to qualify under the same rules that apply to everyone else. But given the editorial board's stance against government providing social employment, or finding its social services budget continually rising, the editorial board must certainly appreciate that anyone we allow to remain in Cayman must be able to take care of themselves in their latter years. If they do not, then the state will have to care for them, and the editorial board (of the *Compass*), which, in one breath complains about unfair treatment will, in the next breath, complain about the rise in government costs.

In another part of the editorial it claims that the Caregiver Certificate is another loophole that excuses "domestic workers from all manner of standards and protections that apply across other industries (for example, mandatory pensions, recruitment provisions in the Gender Equality Law or salary requirements under contemplated minimum wage legislation.)"

Those lines, Madam Speaker, are, I think, the product of an overactive imagination on the part of the editorial board.

Starting with the last first—by now the editorial board will know that it is again wrong with its comment that domestic workers will not have a minimum wage applied to them. In terms of recruitment under the Gender Equality Law, the law does provide an exemption from section 4(1) to households, thus allowing someone to specifically seek to hire a male or female for a specific role in the household. But I am not sure why the editorial board of the *Compass* would have an issue with this. There are many reasons why private households may wish to positively discriminate (if that is what they want to call it) in this manner. One may not want to hire a man to care for young girls, for instance.

That is entirely understandable and should, we think, be properly allowed. However, what the *Compass* should pay attention to is that the law requires that once hired, households should not discriminate against the employee in the other areas of the law. In terms of pensions, I will concede that there still remains the exception for domestic helpers to not receive a pension. And this is something which in the future, Government will have to turn its attention to.

However, caregivers and domestic helpers do receive the benefit of having mandatory health insurance.

But I will dwell no longer on the *Compass* editorial board. Needless to say, this Government is satisfied that we are more progressive in name and in deed than is the editorial board of the *Compass*.

In wrapping up, I humbly ask Members of this Legislative Assembly to support these amendments, thereby making life a little easier for those among us who need special attention and for those who provide that gentle care. I commend the Bill to all Members of this honourable House.

**The Speaker:** Does any other Member wish to speak?

I recognise the First Elected Member for Bodden Town.

Hon. Anthony S. Eden: Thank you, Madam Speaker.

Just to say on behalf of the many people in my district and the Cayman Islands, thanks and appreciation for the reinstitution of the Specialist Caregiver. I know many people cry their heart out that their helper had gone home that they had known for so long. I just want to say a special thanks for the compassion shown by this Government in understanding that when there was the slip-up in the October 2013 Immigration guidelines, whatever, we can now come back and make amendments so that those people can look forward to not having to worry about that aspect of their wellbeing. I say thanks to the Premier for making the changes necessary.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? Final call; does any other Member wish to speak?

If not, I will call on the Honourable Premier to exercise his right of reply.

**The Premier, Hon. Alden McLaughlin:** Thank you, Madam Speaker.

I just wish to extend my gratitude to all Members of the House for their support, spoken and tacit, for this important Bill.

**The Speaker:** The question is that a Bill shortly entitled, The Immigration (Amendment) Bill, 2015, be given a second reading.

All those in favour please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: The Immigration (Amendment) Bill, 2015 given a second reading.

#### **BILL**

#### **SECOND READING**

#### **CORONERS (AMENDMENT) BILL, 2015**

The Clerk: The Coroners (Amendment) Bill, 2015.

The Speaker: Honourable Attorney General.

The Attorney General, Hon. Samuel W. Bulgin: Thank you, Madam Speaker.

I beg to present the Second Reading of a Bill for a Law to amend the Coroners Law (1995 Revision) to clarify the types of verdicts which may be given by the jury in a coroners court; and to make other minor changes to the law; for incidental and connected purposes.

**The Speaker:** The Bill has been duly moved. Does the Honourable Attorney General wish to speak to the Bill?

The Attorney General, Hon. Samuel W. Bulgin: Yes, Madam Speaker. Thank you.

This is a short Bill. It seeks to do a number of things: a) to clarify the types of verdicts which a coroner's jury will be able to return; b) to abolish the provision which requires each deposition of a witness in an inquest to be read back, and signed by the coroner as well as by the witness; to also repeal the existing forms and to replace them with forms that are made by the Grand Court Rules Committee; and to also simplify the making of rules by the Grand Court Rules Committee and, of course, as the long title of the Bill suggests, to make other minor and consequential amendments.

Madam Speaker, the Grand Court Rules Committee chaired by the Honourable Chief Justice, had recommended the reform of the Coroners Law generally, and this initiative was undertaken by the Law Reform Commission. In the interim, modernised rules were made because of the view of the Rules Committee that with the commencement of the Bill of Rights these matters needed to be more streamlined to reflect contemporary procedures.

Whilst the rules were being reviewed, it was felt that it was also necessary to amend the law to, among other things, clarify the types of verdicts which a jury could return. The Coroner's Law itself was enacted way back in 1975. At that time, the types of verdicts which could be made were not clearly specified. Indeed, section 12 of the 1975 Law dealt with the giving of verdicts and the wording was so wide that it appeared that any type of verdict that could be made by a Coroners Court was anticipated. That section, as it then was, provided that the Coroner "shall record the verdict as to who the person was upon whose body the inquest has been held and how, and

when and where he met his death or that the cause of death was unknown as the case may be;"

That is quite a circuitous kind of incantation, if I might put it that way.

The Law was amended in 1979 to clarify this particular provision, and it also then included a provision which would allow for a verdict to be returned by a jury to say that a person might have died by some unlawful act of another person or persons. However, a further amendment was done in 1991 and it appeared that during that exercise the clarification was again revisited and was probably made a little more confusing.

Madam Speaker, as it is, there are differing opinions as to whether the verdict of unlawful death can be currently returned under this Law, and in order to resolve this issue the Grand Court Rules Committee has suggested an amendment to clarify the actual verdicts that can be returned.

Madam Speaker, as a result, the Bill before this House seeks to amend section 6 of the Law to provide that the verdict of a jury shall state the following:

- a) the name and description of the deceased:
- b) when the deceased came to his death:
- where the deceased came to his death; and
- d) the cause and manner of death.

So, just for clarity, Madam Speaker: the name and description of the deceased; when and where the deceased came to his/her death; and the cause and circumstances of such death.

Madam Speaker, I just felt that the above wording would permit a wider range of verdicts than those which currently exist under the Law.

Another proposed amendment to note is the repeal of section 9(2) of the Law which requires each deposition of a witness in an inquest should be signed by the Coroner and the witness. Madam Speaker, the current arrangement is that once a witness gives evidence, a deponent at inquest, the Coroner then has to read back the deposition to the witness, and both the witness and the Coroner are required to sign. So it is proposed that there will no longer be any need for this and that instead witness statements will be relied on.

The Bill also seeks by clause 7 to slightly change the way the rules are made by now dispensing with the requirement for it to go to Cabinet, given that they are not the usual regulations and are, in fact, judicial procedural matters which Cabinet would not necessarily be too familiar with and probably would have very little interest in, in any event. So, it is therefore felt that the Grand Court Rules Committee is the best place to deal with these matters.

The Bill also provides that the forms that are currently being used, need to be upgraded. So, the

Bill has a transitional provision which allows for the current forms to continue to be used until they are replaced by a more modern form.

Finally, Madam Speaker, it is hoped that with these amendments, together with the revised Coroners Rules, that greater efficiency will be realised going forward in dealing with matters in the Coroners Court. Indeed, all coroners continue to do an excellent job and it is important that they be given the necessary tools to perform their job in the usual efficient way. I wish to commend them, and indeed the entire judiciary for their dedication and professionalism not just coroners' matters, but generally.

Accordingly, Madam Speaker, I commend this short Bill to all honourable Members of this House and seek their support.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? Final call, does any other Member wish to speak? If not, I call on the Honourable Attorney to exercise his right of reply.

The Attorney General, Hon. Samuel W. Bulgin: Thank you, Madam Speaker. Nothing more, than to say, that I certainly appreciate the support of honourable Members. Thank you.

**The Speaker:** The question is that a Bill shortly entitled the Coroners (Amendment) Bill, 2015, be given a second reading.

All those in favour please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: The Coroners (Amendment) Bill, 2015 given a second reading.

**The Speaker:** The House will now go into Committee to consider the various Bills.

#### House in Committee at 3:57 pm

[Hon. Juliana Y. O'Connor-Connolly, Chairman]

#### **COMMITTEE ON BILLS**

The Chairman: Please be seated.

The House is now in Committee. With the leave of the House may I assume that, as usual, we authorise the Honourable Attorney General to correct minor printing errors and such the like in these Bills?

Would the Clerk please state the Bill and read the clauses?

#### PROCEEDS OF CRIME (AMENDMENT) BILL, 2015

**The Clerk:** The Proceeds of Crime (Amendment) Bill, 2015.

Clause 1 Short Title

Clause 2 Amendment of section 5 of

the Proceeds of Crime Law (2014 Revision) - Anti-Money Laundering Steering Group.

**The Chairman:** The question is that clauses 1 and 2 stand part of the Bill.

All those in favour please say Aye. Those against, No.

AYES.

The Chairman: The Ayes have it.

Clauses 1 and 2 passed.

**The Clerk:** A Bill for a Law to amend the Proceeds of Crime Law (2014 Revision); to include the Chief Officer in the Ministry responsible for Financial Services or the Chief Officer's designate as a member of the Anti-Money Laundering Steering Group; and for incidental and connected purposes.

**The Clerk:** The question is that the Title stands part of the Bill.

All those in favour please say Aye. Those against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

#### INTERNATIONAL INTERESTS IN MOBILE EQUIP-MENT (CAPE TOWN CONVENTION) BILL, 2015

**The Clerk:** The International Interests in Mobile Equipment (Cape Town Convention) Bill, 2015.

Clause 1 Short title and commence-

ment

**The Chairman:** The question is that clause 1 stand part of the Bill.

All those in favour please say Aye. Those against, No.

AYES.

**The Chairman:** The Ayes have it.

Agreed: Clause 1 passed.

The Clerk: Clause 2 Interpretation.

**The Chairman:** Honourable Minister, there is an amendment to clause 2.

#### **AMENDMENT TO CLAUSE 2**

Hon. G. Wayne Panton: Thank you, Madam Chairman.

In accordance with the provisions of Standing Order 52(1) and (2), I, the Honourable Minister of Financial Services, Commerce and Environment give notice to move the following amendments to the International Interests in Mobile Equipment (Cape Town Convention) Bill, 2015.

The amendment proposed in effect of clause 2 is in the definition of the word "Declaration" by deleting the word "Government" and substituting the words "United Kingdom in respect of the Islands"; by inserting after the definition of the word "Declarations" the following definition- "international interests' has the same meaning as in the Convention"; by deleting the word "and" appearing at the end of the definition of the word "Protocol"; and by inserting after the definition of the word "Protocol" the following definitions- "Protocol Regulations' means regulations made or approved by the Supervisory Authority pursuant to the Protocol, the Supervisory Authority referred to in Article 17(1) of the Convention; and".

**The Chairman:** The amendment has been duly moved. Does the Minister wish to speak any further to it?

Does any other Member wish to speak? [pause]

Does the mover wish to reply?

**Hon. G. Wayne Panton:** Madam Chairman, I would be happy to address any questions, but apparently there are none, so we can move on. Thank you.

**The Chairman:** I will put the question that the amendment stands part of clause 2.

All those in favour please say Aye. Those against, No.

#### AYES.

The Chairman: The Ayes have it.

Agreed: Amendments to clause 2 passed.

**The Chairman:** I now put the question that clause 2, as amended, stand part of the Bill.

All those in favour please say Aye. Those against, No.

#### AYES.

The Chairman: The Ayes have it.

Agreed: Clause 2, as amended, passed.

The Clerk: Clause 3 Treaty to have the force of

law.

**The Chairman:** Honourable Minister of Financial Services.

**Hon. G. Wayne Panton:** I move an amendment to add a new clause 3(A). With your guidance, should we be approving clause 3 first, and then inserting 3(A)?

**The Chairman:** Honourable Minister, you can proceed with the proposed 3(A), because effectively, this will be a new clause.

Hon. G. Wayne Panton: Thank you, Madam Chair.

#### **AMENDMENT TO CLAUSE 3—NEW CLAUSE 3A**

**Hon. G. Wayne Panton:** The amendment is to insert after clause 3, the following clause: "Protocol Regulations 3A.

"(1) Registration of an international interest or other matter in accordance with the Convention has effect for the purposes of this Law only if and to the extent that it complies with the provisions of Articles 18 to 20 of the Convention (registration requirements; validity and time of registration; consent to registration) as modified by Article XX of the Protocol and by Protocol Regulations.

"(2) The effect of registration is subject to the obligations imposed under Article 25 of the Convention (discharge of registration) as modified by Article XX of the Protocol and by Protocol Regulations; and holders of interests, intending creditors or assignees, and persons in whose favour an incorrect or erroneous registration has been made, shall comply with those obligations."

**The Chairman:** The amendment has been duly moved. Does any Member wish to speak to the amendment?

If not, does the Minister of Financial Services?
If no Member wishes to speak, then I will ask
the Honourable Minister if he wishes to add anything
further.

**Hon. G. Wayne Panton:** Thank you, Madam Chairman. Just for clarity, we will be approving clause 3 first, and then approving the amendment, the insertion of 3(A)?

Thank you. I have nothing further to add.

**The Chairman:** The question is that clause 3 stands part of the Bill.

All those in favour please say Aye. Those against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: Clause 3 passed.

The Chairman: The question is that new clause 3(A)

stands part of the Bill.

All those in favour please say Aye. Those

against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: New clause 3(A) passed.

The Clerk:

Clause 4 Cabinet may amend or revoke the

**Declarations** 

Clause 5 The relevant court

Clause 6 Repeal of Cape Town Convention

Law, 2009 (Law 5 of 2009)

The Chairman: The question is that clauses 4

through 6 stand part of the Bill.

All those in favour please say Aye. Those

against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: Clauses 4 through 6 passed.

**The Clerk:** Clause 7 Conflict with other Laws.

The Chairman: Honourable Minister, there is an

amendment to clause 7?

Hon. G. Wayne Panton: Yes.

**AMENDMENT TO CLAUSE 7** 

**Hon. G. Wayne Panton:** I move to amend clause 7 by deleting the word "To" and substituting the words

"Subject to section 8, to".

**The Chairman:** The amendment has been duly moved. Does any Member wish to speak to it?

I put the question that the amendment stands part of the clause.

All those in favour please say Aye. Those against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: Amendment to clause 7 passed.

The Chairman: The question is that clause 7, as

amended, stands part of the Bill.

All those in favour please say Aye. Those

against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: Clause 7, as amended, passed.

The Clerk: New clause 8 Transitional provi-

sions.

The Chairman: Honourable Minister.

**NEW CLAUSE 8** 

**Hon. G. Wayne Panton:** Thank you. I propose to move an amendment to the Bill by inserting after clause 7 the following clause, with a note "Transitional"

provisions":

"8. This Law does not apply to a pre-existing right or interest, which retains the priority it enjoyed under the Laws of the Islands before the coming into

force of this Law."

The Chairman: The question is that this clause be

read a second time.

All those in favour please say Aye. Those

against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: New Clause 8 given a second reading.

**The Chairman:** The question is that this clause be added to the Bill and that the subsequent clauses be

renumbered accordingly.

All those in favour please say Aye. Those

against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: New clause 8 passed.

The Clerk:

Schedule 1 Convention on International Interests

in Mobile Equipment

Schedule 2 Protocol to the Convention

The Chairman: The question is that Schedules 1 and

2 be added to the Bill.

All those in favour please say Aye. Those against, No.

AYES.

**The Chairman:** The Ayes have it.

Agreed: Schedules 1 and 2 passed.

**The Clerk:** Schedule 3 Declarations.

The Chairman: Honourable Minister, there is an

amendment to Schedule 3?

#### **AMENDMENT TO SCHEDULE 3**

**Hon. G. Wayne Panton:** Yes, thank you, Madam Chair.

I move an amendment to the Bill by deleting Schedule 3 and substituting the following Schedule -

#### "SCHEDULE 3

#### **DECLARATIONS**

LODGED BY THE UNITED KINGDOM IN RESPECT OF THE CAYMAN ISLANDS UNDER THE CAPE TOWN CONVENTION (THE "CONVENTION") AT THE TIME OF THE DEPOSIT OF THE INSTRUMENT OF RATIFICATION BY THE UNITED KINGDOM IN RESPECT THEREOF

The United Kingdom of Great Britain and Northern Ireland is to make the following declarations in respect of the Cayman Islands pursuant to the Convention and the Protocol to the Convention on Matters Specific to Aircraft Equipment:

In these declarations the phrase "Government of the Cayman Islands" means any public or governmental body, including any statutory body or company or association in which the Cayman Islands has an interest and which performs a public function or duty and any entity that provides any public function or duty for or on behalf of the government of the Cayman Islands and includes, without limitation, the Civil Aviation Authority of the Cayman Islands and the Cayman Islands Airports Authority.

- 1. Declarations pursuant to Article 39(1) of the Convention
  - (a) that all categories of non-consensual rights or interests which under the laws of the Cayman Islands at the date of this declaration or created after that date have priority over an interest in an object equivalent to that of the holder of a registered international interest shall to that extent have priority over a registered international interest, whether in or outside insolvency proceedings.
  - (b) that nothing in the Convention shall affect the right of the Government of

the Cayman Islands or any other provider of public services (whether an intergovernmental organisation or a private or public entity or otherwise) to arrest or detain an aircraft object under the laws of the Cayman Islands for payment of amounts owed to such entity, organisation or provider directly relating to those services in respect of that aircraft object.

- 2. Declaration pursuant to Article 39(4) of the Convention: declares that a right or interest of a category covered by a declaration made under paragraph 1(a) above pursuant to Article 39(1)(a) of the Convention shall have priority over an international interest registered prior to the date of deposit of the United Kingdom of Great Britain and Northern Ireland's instrument of ratification.
- 3. Declaration Pursuant to Article 53 of the Convention: that the relevant "court" for the purposes of Article 1 and Chapter XI of the Convention is the Grand Court of the Cayman Islands.
- 4. Declaration pursuant to Article 54(2) of the Convention: that all remedies available to the creditor under any provision of the Convention or Protocol which are not expressed to require application to the court may be exercised without leave of the court.
- 5. Declarations Pursuant to Article XXX(1) of the Protocol:
  - (a) that it will apply Article VIII of the Protocol.
  - (b) that it will apply Article XII of the Protocol.
  - (c) that it will apply Article XIII of the Protocol.
- 6. Declaration pursuant to Article XXX(2) of the Protocol: that it will apply Article X of the Protocol in its entirety and that the number of days to be used for the purposes of the time-limit laid down in Article X(2) of the Protocol shall be 10 working days in the Cayman Islands from the date the application for relief is filed.
- 7. Declaration pursuant to Article XXX(3) of the Protocol: that it will apply Article XI, Alternative A of the Protocol in its entirety to all types of all insolvency proceedings and that the waiting period for the purposes of Article XI(3) of that Alternative shall be sixty (60) calendar days."

**The Chairman:** The amendment has been duly moved. Does any other Member wish to speak?

If not, I put the question that the amendments stand part of Schedule 3.

All those in favour please say Aye. Those against, No.

#### AYES.

The Chairman: The Ayes have it.

Agreed: Amendments to Schedule 3 passed.

**The Chairman:** The question is that Schedule 3, as amended, stands part of the Bill.

All those in favour please say Aye. Those against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: Schedule 3, as amended, passed.

The Clerk: a Bill for a Law to repeal and replace the Cape Town Convention Law, 2009; to give effect to the Convention on International Interests in Mobile Equipment and the Protocol thereto on matters specific to aircraft equipment concluded at Cape Town, South Africa, on 16 November 2001 and the declarations made by the Cayman Islands in respect thereof; and for incidental and connected purposes.

**The Chairman:** The question is that the Title stands part of the Bill.

All those in favour please say Aye. Those against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

#### **BILLS OF SALE (AMENDMENT) BILL, 2015**

The Clerk: The Bills of Sale (Amendment) Bill, 2015
Clause 1 Short title and commencement
Clause 2 Amendment of section 2 of the Bills of

Sale Law (2000 Revision)- definitions

and interpretation

**The Chairman:** The question is that clauses 1 and 2 stand part of the Bill.

All those in favour please say Aye. Those against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: Clauses 1 and 2 passed.

**The Clerk:** A Bill for a Law to amend the Bills of Sale Law (2000 Revision) to exclude bills of sale over aircraft objects, from the scope of the principal Law; and to make provision for incidental and connected matters.

**The Chairman:** The question is that the Title stands part of the Bill.

All those in favour please say Aye. Those against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

## CIVIL AVIATION AUTHORITY (AMENDMENT) BILL, 2015

The Clerk: The Civil Aviation Authority (Amendment)

Bill, 2015.

Clause 1 Short title and commencement

Clause 2 Amendment of section 2 of the Civil

Aviation Authority Law (2005 Revi-

sion) - definitions

Clause 3 Amendment of section 5 - functions of

Authority

Clause 4 Amendment of section 39 - regula-

tions

Clause 5 Validation

**The Chairman:** The question is that clauses 1 through 5 stand part of the Bill.

All those in favour please say Aye. Those against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: Clauses 1 through 5 passed.

**The Clerk:** A Bill for a Law to amend the Civil Aviation Authority Law (2005 Revision) to make further provision in respect of the registration of aircraft mortgages; and to make provision for incidental and connected matters.

**The Chairman:** The question is that the Title stands part of the Bill.

All those in favour please say Aye. Those against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

## DIRECTORS REGISTRATION AND LICENSING (AMENDMENT) BILL, 2015

**The Clerk:** The Directors Registration and Licensing (Amendment) Bill, 2015.

Clause 1 Short title
Clause 2 Amendment of section 27 of the Directors Registration and Licensing
Law, 2014, Law 10 of 2014 appeals
Clause 3 Amendment of the Schedule of the
Directors Registration and Licensing
Law, 2014, Law 10 of 2014–List of
Overseas Regulatory Authorities

**The Chairman:** The question is that clauses 1 through 3 stand part of the Bill.

All those in favour please say Aye. Those against, No.

#### AYES.

The Chairman: The Ayes have it.

Agreed: Clauses 1 through 3 passed.

**The Clerk:** A Bill for a Law to amend the Directors Registration and Licensing Law, 2014, Law 10 of 2014; to make provision for an appeal to be made against the cancellation or suspension of registration and the revocation and suspension of a licence; to amend the schedule; and for incidental and connected purposes.

**The Chairman:** The question is that the Title stands part of the Bill.

All those in favour please say Aye. Those against, No.

#### AYES.

**The Chairman:** The Ayes have it.

Agreed: Title passed.

#### **IMMIGRATION (AMENDMENT) BILL, 2015**

The Clerk: The Immigration (Amendment) Bill, 2015.

Clause 1 Short title

Clause 2 Amendment of section 2 of the Immi-

gration Law (2014 Revision) - defini-

tions

Clause 3 Repeal and substitution of section

37C - Certificate for Specialist Care-

givers

Clause 4 Amendment of section 114 - transi-

tional provisions

**The Chairman:** The question is that clauses 1 through 4 stand part of the Bill.

All those in favour please say Aye. Those against, No.

#### AYES.

The Chairman: The Ayes have it.

Agreed: Clauses 1 through 4 passed.

**The Clerk:** A Bill for a Law to amend the Immigration Law (2014 Revision) to revise immigration policy as it relates to specialist caregivers; and to make provision for incidental and connected matters.

**The Chairman:** The Chairman: The question is that Title stands part of the Bill.

All those in favour please say Aye. Those against, No.

#### AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

#### **CORONERS (AMENDMENT) BILL, 2015**

The Clerk: The Coroners (Amendment) Bill, 2015.

Clause 1 Short title and commencement
Clause 2 Amendment of section 6 of the Coroners Law (1995 Revision) - the jury

Clause 3 Amendment of section 9 - recording

of evidence at an inquest

Clause 4 Amendment of section 11 - intervention by the Director of Public Prosecu-

tions

Clause 5 Amendment of section 14 - proceeding upon inquisition charging any per-

son with a criminal offence

Clause 6 Repeal of section 22 and replacement

- forms

Clause 7 Amendment of section 24 - Rules

Clause 8 Repeal of the Schedule Clause 9 Transitional provisions

**The Chairman:** The question is that clauses 1 through 9 stand part of the Bill.

All those in favour please say Aye. Those against, No.

#### AYES.

The Chairman: The Ayes have it.

Agreed: Clauses 1 through 9 passed.

**The Clerk:** A Bill for a law to amend the Coroners Law (1995 Revision) to clarify the types of verdicts which may be given by the jury in a Coroners Court; to make other minor changes to the law; and for incidental and connected purposes.

**The Chairman:** The question is that the Title stand part of the Bill.

All those in favour please say Aye. Those against, No.

#### AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

**The Chairman:** The question is that the Bills be reported to the House.

All those in favour please say Aye. Those against, No.

#### AYES.

The Chairman: The Ayes have it.

Agreed: Bills to be reported to the House.

The Chairman: The House will now resume.

#### House resumed at 4:22 pm

[Hon. Juliana Y. O'Connor-Connolly, Speaker, presiding]

**The Speaker:** Please be seated. The House has now resumed.

#### REPORT ON BILLS

#### PROCEEDS OF CRIME (AMENDMENT) BILL, 2015

The Clerk: The Proceeds of Crime (Amendment) Bill, 2015.

**The Speaker:** Minister of Financial Services, Commerce and Environment.

**Hon. G. Wayne Panton:** I have to report that a Bill shortly entitled The Proceeds of Crime (Amendment) Bill, 2015, was considered by a Committee of the whole House and passed without amendment.

**The Speaker:** The Bill is duly reported and set down for its third reading.

#### Moment of interruption—4:30 pm

**The Speaker:** I recognise the Honourable Premier. We have reached the hour of 4:30.

#### **SUSPENSION OF STANDING ORDER 10(2)**

The Premier, Hon. Alden McLaughlin: I beg to move the suspension of Standing Order 10(2) to enable the House to continue proceedings beyond the hour of interruption **The Speaker:** The question is that Standing Order 10(2) be suspended to enable the House to continue proceedings beyond the hour of interruption.

All those in favour please say Aye. Those against, No.

#### AYES.

The Speaker: The Ayes have it.

Agreed: Standing Order 10(2) suspended.

[Report on Bills, continued]

## INTERNATIONAL INTERESTS IN MOBILE EQUIPMENT (CAPE TOWN CONVENTION) BILL, 2015

**The Clerk:** The International Interests in Mobile Equipment (Cape Town Convention) Bill, 2015.

**The Speaker:** Honourable Minister of Financial Services, Commerce and Environment and set down for third reading.

**The Speaker:** Minister of Financial Services, Commerce and Environment.

**Hon. G. Wayne Panton:** I am to report that the Bill shortly entitled The International Interests in Mobile Equipment (Cape Town Convention) Bill, 2015, was considered by a Committee of the whole House and passed with amendments.

**The Speaker:** The Bill is duly reported and set down for its third reading.

#### **BILLS OF SALE (AMENDMENT) BILL, 2015**

The Clerk: The Bills of Sale (Amendment) Bill, 2015.

**The Speaker:** Minister of Financial Services, Commerce and Environment.

Hon. G. Wayne Panton: I am pleased to report that The Bills of Sale (Amendment) Bill, 2015, was considered by a Committee of the whole House and passed without amendment.

**The Speaker:** The Bill is duly reported and set down for its third reading.

## CIVIL AVIATION AUTHORITY (AMENDMENT) BILL, 2015

**The Clerk:** The Civil Aviation Authority (Amendment) Bill, 2015.

**The Speaker:** Minister of Financial Services, Commerce and Environment.

**Hon. G. Wayne Panton:** I am pleased to report that the Bill shortly entitled, The Civil Aviation Authority (Amendment) Bill, 2015, was considered by a Committee of the whole House and passed without amendment.

**The Speaker:** The Bill is duly reported and set down for its third reading.

## DIRECTORS REGISTRATION AND LICENSING (AMENDMENT) BILL, 2015

**The Clerk:** The Directors Registration and Licensing (Amendment) bill, 2015.

**The Speaker:** Minister of Financial Services, Commerce and Environment.

**Hon. G. Wayne Panton:** I have to report that a Bill shortly entitled, The Directors Registration and Licensing (Amendment) Bill, 2015, was considered by a Committee of the whole House and passed without amendment.

**The Speaker:** The Bill is duly reported and set down for its third reading.

#### **IMMIGRATION (AMENDMENT) BILL, 2015**

**The Clerk:** The Immigration (Amendment) Bill, 2015.

The Speaker: Honourable Premier.

The Premier, Hon. Alden McLaughlin: Madam Speaker, I am to report that the Bill shortly entitled, The Immigration (Amendment) Bill, 2015, was considered by a Committee of the whole House and passed without amendment.

**The Speaker:** The Bill is duly reported and set down for its third reading.

#### **CORONERS (AMENDMENT) BILL, 2015**

The Clerk: The Coroners (Amendment) Bill, 2015.

**The Speaker:** I recognise the Honourable Attorney General.

The Attorney General, Hon. Samuel W. Bulgin: Thank you. Madam Speaker.

I am to report that a Bill with the short title, The Coroners (Amendment) Bill, 2015, was considered by a Committee of the whole House and passed without amendment.

**The Speaker:** This Bill has been duly reported and is set down for its third reading.

Honourable Premier, are you going to continue or adjourn until tomorrow? I will take the motion for adjournment if not going to do a suspension.

Can we have an adjournment motion, please?

#### **ADJOURNMENT**

**The Premier, Hon. Alden McLaughlin:** Thank you, Madam Speaker.

I wish to commend all Members of the House and, indeed, the staff for the efficient way in which the business of the House has been conducted today. We have gotten through all of the Government Bills, through all of the stages we could possibly go through today without suspending Standing Orders with respect to the third readings. So, we are at the end of the Order Paper for the day, and I therefore move the adjournment of this honourable House until 10:00 am tomorrow, when we will deal with the Third Readings and proceed with Private Members' Motions.

**The Speaker:** The question is that the honourable House be adjourned until 10:00 tomorrow morning.

All those in favour please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

At 4:35 pm the House stood adjourned until 10:00 am, Thursday 16<sup>th</sup> April 2015.