



**CAYMAN ISLANDS
LEGISLATIVE ASSEMBLY**

**OFFICIAL HANSARD REPORT
ELECTRONIC VERSION**

2012/13 SESSION

27 June 2012

*First Sitting of the First Meeting
(pages 1–68)*

**Hon Mary J Lawrence, MBE, JP
Speaker**

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PRESENT WERE:

THE SPEAKER

Hon Mary J Lawrence, MBE, JP
Speaker of the Legislative Assembly

MINISTERS OF THE CABINET

Hon W McKeeva Bush, OBE, JP, MLA	<i>Premier</i> , Minister of Finance, Tourism and Development
Hon Juliana Y O'Connor-Connolly, JP, MLA	<i>Deputy Premier</i> , Minister of District Administration, Works, Lands and Agriculture
Hon Rolston M Anglin, JP, MLA	Minister of Education, Training and Employment
Hon Michael T Adam, MBE, JP, MLA	Minister of Community Affairs, Gender and Housing
Hon J Mark P Scotland, JP, MLA	Minister of Health, Environment, Youth, Sports and Culture

OFFICIAL MEMBERS OF THE CABINET

Hon Franz Manderson, Cert. Hon.	<i>Deputy Governor</i> , Member responsible for Internal and External Affairs and the Civil Service
Hon Samuel Bulgin, QC, JP	Attorney General, Member responsible for Legal Affairs

ELECTED MEMBERS

GOVERNMENT BACKBENCHERS

Hon Cline A Glidden, Jr, MLA	<i>Deputy Speaker</i> , Third Elected Member for West Bay
Capt A Eugene Ebanks, JP, MLA	Fourth Elected Member for West Bay
Mr Ellio A Solomon, MLA	Fourth Elected Member for George Town
Mr Dwayne S Seymour, MLA	Third Elected Member for Bodden Town

OPPOSITION MEMBERS

Hon Alden M McLaughlin, MBE, JP, MLA	<i>Leader of the Opposition</i> , Third Elected Member for George Town
Mr D Kurt Tibbetts, OBE, JP, MLA	First Elected Member for George Town
Mr Anthony S Eden, OBE, JP, MLA	Second Elected Member for Bodden Town
Mr V Arden McLean, JP, MLA	Elected Member for East End

INDEPENDENT MEMBER

Mr D Ezzard Miller, JP, MLA	Elected Member for North Side
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APOLOGIES

Mr Moses I Kirkconnell, JP, MLA	First Elected Member for Cayman Brac and Little Cayman
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OFFICIAL HANSARD REPORT
STATE OPENING 2012/13 SESSION
WEDNESDAY
27 JUNE 2012
10.12 AM
First Sitting

The Speaker: I call on the Honourable Premier to read Prayers this morning.

PRAYERS

The Premier, Hon. W. McKeeva Bush: Thank you.

Let us pray.

The Lord is my light and my salvation, whom shall I fear.

The Lord is the strength of my life, of whom shall I be afraid.

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.

PROCLAMATION NO. 2 OF 2012
SUMMONING OF THE 2012/13 SESSION
OF THE LEGISLATIVE ASSEMBLY

The Clerk: "Proclamation No. 2 of 2012 by His Excellency, Duncan Taylor, Commander of the Most Excellent Order of the British Empire, Governor of the Cayman Islands.

"WHEREAS section 83 (1) of the Constitution of the Cayman Islands provides that the sessions of the Legislative Assembly of the Cayman Islands shall be held at such places and begin at such times as the Governor may from time to time by proclamation appoint:

"NOW, THEREFORE, I, Duncan Taylor, CBE, Governor of the Cayman Islands, by virtue of the powers conferred upon me by the said section 83 (1) of the Constitution of the Cayman Islands hereby proclaim that a session of the Legislative Assembly of the Cayman Islands shall be held at the Legislative Assembly Building in George Town, in the Island of Grand Cayman beginning at 10:00 am on Wednesday, the Twenty-seventh day of June 2012.

"GIVEN UNDER MY HAND AND THE PUBLIC SEAL OF THE CAYMAN ISLANDS AT GEORGE TOWN IN THE ISLAND OF GRAND CAYMAN ON THIS 27th DAY OF JUNE IN THE YEAR OF OUR LORD TWO THOUSAND AND TWELVE IN THE SIXTY-FIRST YEAR OF THE REIGN OF HER MAJESTY QUEEN ELIZABETH II."

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

The Speaker: I have no messages or announcements at this time.

**MOTION FOR SUSPENSION
OF THE HOUSE**

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeeva Bush: Madam Speaker, I move that this honourable House do rise to await the arrival of His Excellency the Governor to receive a message.

The Speaker: The question is that this honourable House do rise to await the arrival of His Excellency the Governor to receive a message.

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

Ayes.

The Speaker: The Ayes have it.

This honourable House will rise to await the arrival of His Excellency the Governor to receive a message.

Agreed: That this honourable House will rise to await the arrival of His Excellency the Governor to receive a message.

Proceedings suspended 10.20 am

A Message from His Excellency the Governor, Mr. Duncan J.R. Taylor, CBE

His Excellency the Governor: Madam Speaker, Hon. Premier, Hon. Ministers and Members, Traditionally, the Throne Speech marks the formal start of the new Parliamentary session. The Speech, among other things, sets the tone for debates on the Government's legislative agenda as well as setting out the social and economic priorities of the Government.

As you are all aware there are ongoing efforts and negotiations to arrive at an agreed 2012/13 Budget. In the absence of a final budget it would not be possible to use this morning's occasion to outline the Government's goals and intentions for the new Parliamentary session.

It has been agreed therefore that an interim budget will be presented to the House with a view to using the intervening period to finalise the substantive full year budget.

Once this has been achieved, I will return to deliver the Throne Speech for the Parliamentary session as informed by the full budget.

Proceedings resumed at 10.21 am

The Speaker: This Honourable House will now begin its 2012/13 Session. Please be seated.

STATEMENTS BY HONOURABLE MEMBERS AND MINISTERS OF THE CABINET

The Speaker: I have no notice of statements by Honourable Members and Ministers of the Cabinet.

GOVERNMENT BUSINESS

MOTIONS

Suspension of Standing Order 24(5)

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeever Bush: Madam Speaker, as permitted by Standing Order 86, I beg to move the suspension of Standing Order 24(5) to allow this honourable House to consider a Government Mo-

tion that seeks the Legislative Assembly's approval for Government to incur executive financial transactions for the period 1 July 2012 through 31 August 2012.

The Speaker: The question is that Standing Order 24(5) be suspended to allow this honourable House to consider a Government Motion to be dealt with during this meeting.

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

Ayes and one audible No.

The Speaker: The Ayes have it.

Agreed: Standing Order 24(5) suspended.

GOVERNMENT MOTION

No. 1/2012-13—Authorisation of Executive Financial Transactions for 2012/13 Financial Year

The Speaker: Honourable Premier.

The Premier, Hon. W. McKeever Bush: Thank you, Madam Speaker.

I beg to move Government Motion No. 1/2012-13, Authorisation of Executive Financial Transactions for the 2012/13 financial year, which reads as follows:

WHEREAS in accordance with Section 24 of the Public Management and Finance Law (2010 Revision) (the "PMFL") the Government of the Cayman Islands (the "Government") would normally have been presented its Budget and Appropriation Bill for the 2012/13 Financial Year to the Legislative Assembly for review prior to the start of the 2012/13 Financial Year;

AND WHEREAS, with the consent of the Foreign and Commonwealth Office of the Government of the United Kingdom, the Government is presenting a two-month Budget to cover the period 1 July 2012 to 31 August 2012 and seek authorisation from the Legislative Assembly to incur executive financial transactions in advance of an Appropriation Law for 2012/13 Financial Year - as permitted by Section 11 of the PMFL;

AND WHEREAS Section 11(1) of the PMFL states that the executive financial transactions in respect of a financial year may be authorised by a resolution of the Legislative Assembly in advance of a law making appropriations for those transactions if - (a) the resolution is arranged according to each of the appropriation types specified in section 9(3); and (b) the resolution provides that it shall lapse after a period of four months from the date of the resolution.

AND WHEREAS the Government, pursuant to Section 11 (1) of the PMFL is seeking the ap-

proval of the Legislative Assembly for the attached Schedule of Appropriations for the two-month period from 1 July 2012 to 31 August 2012;

BE IT NOW THEREFORE RESOLVED that for the period 1 July 2012 to 31 August 2012 the Governor in Cabinet be authorised to incur executive financial transactions totaling no more than CI\$127,050,853 in aggregate and not exceeding the limits specified for each of the following Appropriation categories, further details of which are provided in the attached Schedule to this Motion:

Appropriation Category	CI\$ Amount
Output Groups	75,489,416
Transfer Payments	6,091,494
Equity Investments	9,718,974
Executive Assets	1,875,000
Financing Expenses	5,473,563
Other Executive Expenses	3,314,073
Loans Made	88,333
Borrowings (Overdraft)	25,000,000
TOTAL	127,050,853

The Speaker: Thank you, Honourable Premier.

The Motion is now open for debate. Does the Honourable Premier wish to speak thereto?

The Premier, Hon. W. McKeever Bush: Thank you, Madam Speaker.

Madam Speaker, the Government operates on a 1st July to 30th June fiscal year. The preparation of the Annual Budget is a lengthy and intense process which begins in October and culminates in the presentation of the Annual Plan and Estimates to this Honourable House prior to the 30th of June each year followed by the approval of the accompanying Appropriation Bill. The Budget, Madam Speaker, reflects the plans and intended policies of the Government.

Madam Speaker, in line with the preceding comments, my Government prepared the relevant budget documents and related Appropriation Bill. However, as the Budget of the Cayman Islands now requires approval from the Foreign and Commonwealth Office (the FCO), the Government could not simply bring the Budget to the House without getting approval from the FCO to do so. The House will know, as the country knows, that we have had to do this each year. Each year became more difficult to present the Budget.

I wrote to the FCO and presented the financial results and position in respect of the fiscal year starting on 1st July 2012. That submission indicated that Central Government would have an Operating Surplus of \$22 million for the 2012/13 fiscal year, while Capital Expenditures and Investments in Public Entities totalled \$83 million. A long-term borrowing plan of \$59 million was requested to help finance the Capital Expenditures and Investments in Public Entities. That submission was not approved by the FCO because:

- a) it contained long-term Borrowings of \$59 million—something that I did not want to do, something we said we would not do, but at that point that was the only way we saw open—; and
- b) it also requested an increase in the Overdraft facility for the 6-month period of 1st July to 31st December, when, Madam Speaker, Government is most lean, as Government does not receive the vast majority of income until the early part of the year, the calendar year, that is, January, March, thereabouts.

Since it was clear that the FCO was concentrating on the level of borrowing requested by the Government—and the FCO saw an overdraft request in the same light as long-term borrowing, whereas we recorded it here as an overdraft, they said, *No, it's borrowing*—the Government decided that it would present a Budget on the basis of essentially an almost zero Appropriation request for Capital Expenditure and Investments in Public Entities: the objective of which was to eliminate the previous submission for borrowings of \$59 million, albeit temporarily, until we entered into discussions with the FCO about the extent to which the Capital Expenditure and Investments in Public Entities could be reinstated. Members would know that, because I announced that to the Radio Cayman audience and the papers carried it.

This proposal was made via the Governor's Office to the FCO. This too was rejected by the FCO. I thought that that was the best scenario for the country; that we present a Budget that did not incur long-term borrowing—an overdraft, but not long-term borrowing—and they still did not agree. That's why I thought they were being unreasonable. I don't think that the Foreign Office is being unreasonable in its entirety. The fact is that we cannot continue to spend without having the relevant increase in expenditure the way we have done in the past. And the next few days are going to tell how we cut expenditure to match projected revenue.

The intention of the Government was at that point therefore to present a full 12-month Budget in respect of Operating Expenditures whilst seeking to introduce an element of Capital Expenditure and Investments in Public Entities after discussion and agreement with the FCO, as I reported some days ago to the country.

However, the FCO is absolutely insisting on further reductions to Operating Expenditures, as I have just said. Such further cost reductions must be carried out in a careful, deliberate and measured way, much more than the thought processes allowed before. Rushed decisions will be to the detriment of the public service and the entire country. Consequently, the Government and the Civil Service was unable to perform such a further comprehensive review of costs

and have this process completed in sufficient time to have a full 12-month Budget prior to 30th June 2012 (another few days from now), that also met with the FCO's approval. It is for this reason that Government is presenting a Government Motion that seeks authorisation to incur executive financial transactions for the 2-month period of July and August this year, which will allow the operations of Government to continue and, at the same time, give the Government and the Civil Service more time to examine expenditures.

In doing all of this, Madam Speaker, they have proposed to send back the Overseas Territories economists to oversee, overlook, assist in this process. And they also want us to give them another three year, or a new three year fiscal plan. The right thing for this country to do is for us to cut our expenditures now and get us as quick as possible out of the hands of the Foreign Office. Whether it is this Government or another Government, the fact is that they have the upper hand. The first time in 181 years and I would dare say something that they have wanted for the last 40 years—but they didn't get until we broke the ratios between 2005 and 2009, according to the law.

So what? They have the upper hand. And this House can kick me in the face, the country can vote us out, and you can put all kinds of reasons to it, the fact is that they have the upper hand and they got that upper hand between 2005 and 2009. There is no other way to say it as plain. Oh, this House will debate and we will talk it through and they will blame me. I'm in good form. I will be able to defend myself very appropriately and show the reasons why. Even though my friend, the Auditor General, says that all processes were good, all expenditures were way out. Bear that in mind.

Madam Speaker, I also want to give the House and the public an indication of the size of the task Ministers of Government wrestled with in respect of the 2012/13 Budget submissions.

A Budget Circular was issued as usual on 18 January 2012 requiring that Operating Expenses of the Government for the Government's 2012/13 fiscal year should not exceed \$498 million and Capital Expenditures and Investments in Public Entities should not exceed \$59 million, as that is what we sought revenue to help. That circular went out. I called a meeting with all Ministers, Members, Chief Officers, and Chief Financial Officers, and laid it out as plain as I am laying it out now—the Foreign and Commonwealth Office is not going to tolerate more than what we are saying, or very little more, if any more. Cut accordingly, trim our expectations accordingly.

When Ministers reviewed the submissions made by the Service, according to various plans and objectives, Operating Expenditures exceeded the Budget Circular specification by approximately \$130 million—by \$628 million in total. In respect of Capital Expenditure and Investments in Public Entities, the

submissions exceeded the limit specified in the Budget Circular by \$21 million. So just about \$150 million over what the SPS (Strategic Policy Statement) had agreed upon.

Clearly, both areas exceeded the Budget Circular limits set in January and thereby presented a significant challenge to Ministers in their review of the submissions to have these amounts reduced. More pleadings went from me, from the Financial Secretary, from my Chief Officer, or . . . yes, from my Ministry as well, warning that the FCO was not going to agree with us.

Madam Speaker, as per section 7 of the Public Management and Finance Law (the PMFL), without an Appropriation Law in place, the Government is normally unable to incur expenditure, make investments, undertake borrowings or conduct other types of financial transactions necessary to fund the operations of Government. The Appropriation Law is normally approved as part of the annual Budget Process. However, section 11 of the PMFL states that executive financial transactions can be authorised by a resolution of the Legislative Assembly in advance of a law making appropriations.

Section 11 of the PMFL also states that: the resolution (as the one before the House) has to be arranged by appropriation types; the resolution will expire after a period of four months from the date of resolution; and, the resolution will be subsumed by the amounts respectively provided in the law making the appropriations in respect of the transaction when the law comes into operation.

The purpose of this Government Motion is to seek the approval of the Legislative Assembly under section 11(1) of the PMFL for the Governor in Cabinet to undertake the various types of executive financial transactions necessary to finance the ongoing operations of Government in advance of an Appropriation Law for the 2012/13 financial year.

The approval is being sought for the two-month period, 1st July to 31st August 2012, during which time the Government will prepare a revised full-year 2012/13 Budget and present it to this Honourable House for review and consideration.

Madam Speaker, Members will see in the schedule attached to the Government Motion the amounts relating to the various Appropriation categories, specifically: Output Groups, Transfer Payments, Equity Investments, Financing Expenses, Other Executive Expenses, Executive Assets, Loans Made and Borrowings. The Appropriations have been grouped according to the Ministry/Portfolio/Office structure of the Government.

The rationale behind the Motion and the two-month expenditure: Madam Speaker, when developing the amounts shown in the schedule to the Motion, the Ministry of Finance took the proposed 2012/13 Budget (as amended and reduced by Ministerial review) as the starting point and developed a two-month

Appropriation Schedule. These amounts were then adjusted to account for known commitments and the seasonality profile of certain items. Members will see that the majority of the expenditure items reflect the ongoing business of Government.

Madam Speaker, no doubt some will say, *In the past three years you have said you were doing better. You recorded certain surpluses and yet you still find yourself at this point.* It's a fact. We have. We did. And those things were verified independently. But you do not spend, Madam Speaker, and borrow, and spend and borrow, and think you can just get out of it that easy. The fact is that we found that \$81 million in deficit and there were \$400 million in that four-year period.

Madam Speaker, as we all know doing simple arithmetic, that if you borrow \$400 [million] and you pay off \$300 [million], you are still left with \$100 million, if you borrow \$400 million. And that has an effect throughout the oncoming years. No one can get away from that fact, no matter how much blame is attempted to be put on Government presently. You don't hire 1072 people in a four-year period and just think that that is not going to have an effect over the oncoming years. That is what the system that we have demanded. The attendant cost in insurance, pensions, salaries, and other expenditures have that effect. So cuss if you may, scream if you want to, lay blame if that is what is going to put the balm on your conscience, but the facts are the facts and there is no getting away from it. Bottom line is, too much expenditure and now we have to pay for it and it has caught us to that point no matter how much we tried to make things better.

Now, some of this had to come, and I will talk about it when I hear what the arguments are going to be. But let me be up front with the House. I am going to talk about it afterwards anyway because the facts have to be told. Sixty policemen—new ones alone—that is not one penny. Average out on 60, \$100,000 per year each and all the costs, bearing in mind that some of the police work at \$2,600 per month base salary though. Don't think that we're paying them a whole lot in base salary, but still, that's a lot of money nevertheless.

[With] a downturn in the economy, crime escalates. [With] a downturn in the economy, our people are hit harder—rent, financial assistance, scholarships. Madam Speaker, these are the hard facts. And it is always easy for people outside to say, *Ah! They can do away with that, they can do away with this. I can sit here in an hour and cut out \$30 million.* Oh yeah . . . if we got those kinds of geniuses. We do. It's easy. But I tell you what, I have been struggling with this since January. It's not as easy as that, particularly sometimes when your hands are tied.

All those things I named out bring recurrent expenditure, which the FCO says is unsustainable; it brings it higher.

Our Operating Expenses, Madam Speaker, for the period 1st July to 31st August, the Motion seeks approval for a total of \$84.9 million in Operating Expenses in the following Appropriation categories: Ministry/Portfolio Output Groups - \$54.3 million; Transfer Payments, \$6.1 million; Purchases from Non-Government Output Suppliers, \$3.0 million; Purchase of Outputs from Statutory Authorities and Government Owned Companies, \$18.2 million and Other Executive Expenses, \$3.3 million.

The Appropriations for these categories represent the indicative Core Government's operating expenses for the two-month period and should not be taken for granted as being 2/12ths of the amount that the Government will spend over the full 2012/13 financial year.

I will call on all government agencies to continue to exercise fiscal constraint and prudence during the coming financial year. The Government is still faced with increased costs as a result of the implementation of the Bill of Rights, provision of national security measures, health care and demands on the Government for social assistance. No one needs to think, Madam Speaker, that when you put things in place it is not going to cost this country—not in today's world. That helicopter is one good example. We haven't got a determination of what it fully costs. I hope I get that before the week is out. I bet you it is well over \$3 million.

Boats sitting down up at the fire station can't be used because they purchased them for things that we don't have. We have the North Sound, we have the Caribbean Sea; they purchased them for lakes. That's the police boats we're talking about. Either there or tied up in some marina, and we're paying the cost. You want a Bill of Rights to satisfy some people at CNS? Oh, you're going to get a Bill of Rights. It's in the Constitution. And unless the UK does for us what they did for themselves and allow us to put it back, which doesn't seem to be happening, it's going to cost this country millions of dollars. The last time we counted it was \$11 million. And that is not the end of it. Wait until the law suits start. And they call on me to pay more in legal aid, Madam Speaker, because we are going to have to give those people legal aid. They have a Bill of Rights. They have a right to get it!

I hear (because I don't read the rubbish there) about it on CNS. McKeeva Bush ("Mac" they call me) not paying legal aid. While the FCO tells us, Madam Speaker—and this is where I get hot—you have to cut scholarships. That's one area [they tell us] we have to cut—our children's education—so that I can pay criminal law fees for lawyers, they say, that they don't depend on legal aid to survive. Well, maybe they don't. And we have to understand there's a business, and I am sympathetic to it. But we all have to realise when they are pointing their finger, cursing Government, calling me incompetent, saying all manner of evil about me and the Government that these are the

things that are causing recurrent expenditure to increase. And now I must cut scholarships—the one little thing we have going for us.

Madam Speaker, it's enough to make a good democrat get up and say enough is enough. I don't have any tea to throw overboard because what tea I get I drink it. But it's enough to really make you want to say enough is enough. How much more can you take? How much more can a stouthearted man take with people ramming things down his throat? How much more? I didn't put us in the hands of the Foreign Office. Not McKeeva Bush.

I serve this country in my seventh term and I served it with good people who always said, "Don't ever let that happen." Benson Ebanks, Vassel Johnson, Truman Bodden, Norman [Bodden], the late Captain Charles Kirkconnell, all of them said that our independence must be financial independence. And now we don't have it because they are telling us what to do. And the truth is that some of that is well founded. It's difficult for me, as a stouthearted man, to have to trot up and down to the Foreign Office, by phone, by fax, or go and sit down with them and they tell [me] "We're not doing this" —when you know that some of it could be done, as I thought we should have produced our Budget without the loan because that recurrent budget did carry a surplus. Bring the Budget, sit down with the Foreign Office and then they say, *No, you can't borrow this, you can't borrow this, you can't borrow this. We will let you borrow for the remand centre—but that's it.* Or whatever they chose. And I thought that was reasonable. They said 'No'. That's where we are at, Madam Speaker.

As we go through the revision of the 2012/13 Budget process, government agencies need to be cognisant of the fact that their Budgets may be decreased below what they had in 2011/12. In this current environment we shall seek ways to innovate and deliver services at reduced costs. And we are doing some of that, Madam Speaker. We are innovating. I can tell this House that Immigration would have probably cost us another \$1 million for 18 new staff, or there about. And I said, "Look. I campaigned on removing outgoing immigration. Remove outgoing immigration and redirect those officers as best you can to utilise them within the Immigration services." That's what we are doing. That is part of the innovation. We are removing outgoing Immigration.

Financing Costs: Madam Speaker, an Appropriation of \$5.5 million in financing expenses is sought to cover the interest accruing on the outstanding public debt and projected overdraft facilities during the July to August 2012 period. We are now paying annually thirty-something million dollars in financing expenses. It's high. We dare not, should not, expect to go much further. There is some room, but the FCO says 'No', and I'm worried about it. I have always been worried about more and more borrowing and more and more loans.

Appropriations for Equity Injections into Ministries, Portfolios, Statutory Authorities and Government Companies amount to \$9.7 million. The main items included in this Appropriation category are:

- \$4.3 million to fund the ongoing construction of the new John Gray High School and planned works at other campuses;
- \$500,000 for the Ministry of District Administration, Works, Lands and Agriculture of which \$300,000 will go to fund on-going construction of a new hangar for the MRCU aircraft and \$200,000 for the PWD/Vehicles Driver's License Admin building in Cayman Brac;
- \$900,000 is to fund the Health Services Authority;
- \$2.0 million to fund the Cayman Turtle Farm;
- \$800,000 to fund Cayman Airways; and
- \$400,000 to fund the Cayman Islands Development Bank.

Executive Assets: Appropriations for Executive Assets total \$1.9 million, consisting of the following individual items:

- \$1.0 million is sought for various road surface upgrades and construction;
- \$400,000 is to fund the on-going construction of the shelters;
- \$200,000 to fund cemetery development—and that's a serious need, Madam Speaker. I don't know what the economist is going to tell me about that, but I know in West Bay we nearly run out of space, and other districts are moving in a similar direction. I think Bodden Town [is one of the] two most critical districts. Anyway, we will get there, Madam Speaker.
- \$200,000 to fund on-going fit-out work on the new Government Administration Building; and
- \$100,000 for Little Cayman.

Loans made [total] \$100,000 and are sought to fund Loans Made by the Government to qualified persons requiring overseas medical care; and loans to Civil Servants.

An appropriation of \$25.0 million is being sought in respect of borrowings. As I said, they call it borrowings, I will still say overdraft. And that is the limit they had extended for us. This is to allow for the utilisation of a revolving overdraft facility during the customary lean months of the summer period.

Madam Speaker, when I presented the Supplementary Annual Plan and Estimates document for the 2011/12 fiscal year—which ends in a few days from now—those estimates indicated that central government would essentially break even whilst statutory authorities and government companies would have a combined deficit of \$7 million. The entire public sector was therefore forecast to have a deficit of \$7 million

for the 2011/12 year. That is, Madam Speaker, when we end on midnight of [June] 30th, a few days from now, that is what we had projected.

The latest estimates indicate slightly improved results. Central government is now forecast to have a very small surplus of approximately \$3 million and the statutory authorities and government companies a combined deficit of \$4 million. The entire public sector is therefore forecast to have a deficit of \$1 million for the 2011/12 year.

Additionally, Government is expected to have an operating bank account balance that will be in an overdraft position at 30th June of approximately \$11 million.

Madam Speaker, let us look for a minute at the information arising in respect of the two-month budget for 2012/13. Members and the public will naturally enquire as to the financial implications of a two-month Budget for 2012/13. The most important financial implication is the value of government's operating bank account balance that results from the two-month budget.

At 31 July 2012 the expected overdraft balance on the operating bank account is \$21 million and at 31 August 2012 the overdraft balance is expected to be \$24.8 million. Members of the House will see that this has led to the Schedule attached to the Government Motion requesting authorisation for an appropriation to incur an overdraft balance of \$25 million.

The FCO has indicated its support for a \$25 million overdraft balance during the two-month period of July and August 2012. Madam Speaker, the requested overdraft balance of \$25 million is exactly equal to the existing amount for the overdraft balance that is contained in the Appropriation Law for the 2011/12 fiscal year. Hence, the Government is not being extravagant in the two-month period.

Madam Speaker, the Government has much work to do over the next month, the next few days, in order to prepare the full-year 2012/13 Budget, and I ask all Members of this honourable House for their support of this Motion which will allow for the continuity of Government's operations while the full-year 2012/13 Budget is being revised.

Madam Speaker, as I said, all kinds of faults can be found and fingers can be pointed. And that will be done, has been done. At the end of the day, it is solutions that will fix the problem, nothing else.

Thank you, Madam Speaker.

The Speaker: Thank you Honourable Premier.
Does any other Member wish to speak?
Honourable Leader of the Opposition

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Thank you, Madam Speaker.

I wish to thank the Honourable Premier for his explanation of the unusual situation in which this

House, and, indeed, the country, finds itself this June morning. In all my years here, and indeed, in the years of many who have been here before me, I do not think the House or the country has ever faced a situation such as this, where we come to the end of the fiscal year in the last year of a four-year term of a Government, and there is no Annual Plan and Estimates available to be presented to the House and to the country to explain to the country the Government's continued vision for its development and progress, and to take stock of how well the Government has done over the preceding years of its term.

And there is no Throne Speech delivered by the Governor setting out the broad parameters of policy, programmes and projects of the Government for the ensuing year.

How did we get to this point, Madam Speaker, where we have to invoke section 11 of the Public Management and Finance Law and essentially seek emergency approval for spending for two months? This is a process that has only ever been invoked following a general election in May when the incoming Government obviously would not have had an opportunity to consider the financial state of the country and to put in place its own policies, programmes and projects, and therefore, to develop the budget frame to allow those things to occur.

Madam Speaker, it is indeed an indictment not just against this Government, but against good governance in this country. Over the course of the last month plus, as we have all worried and waited, I have had occasion to meet many, many business people in this country who worry about what is happening in Cayman and to the way Government is run. It is one thing to present a Budget which has a deficit; it is another altogether to present no Budget at all! Which is where we are at.

Every Budget that this Government will have presented since it took office would have been presented late. The Government has gone so far at the very outset, as though they expected this to happen, to remove the mandatory provision which was in the Public Management and Finance Law which required that Government had to present to this House an Annual Plan and Estimates by the first of May in order that the country and those of us charged with responsibility to scrutinising it and ultimately approving Government expenditure would have an opportunity to do just that.

What is the message that is being sent to all who live, work, invest, have an interest in this country about the state of governance on these shores in these isles?

Madam Speaker, the Premier has the audacity on this morning, three days before authority for Government spending expires to come to this House and to come to this country and say *this is not my fault*. Madam Speaker, if, after three plus years in office, with 10 months until the general election, the

Premier is not prepared to accept responsibility for the financial affairs of the country—and he is also Minister of Finance!—I don't know when he will ever accept that the responsibility is not just to give the good news, as he did when he last presented the Budget in his Budget Address, in which he gloated about the miraculous turnaround that he had effected since he took office. This is his responsibility. It is the Government's responsibility not just to run the country well, but also to at least deliver the country a Budget.

As far as I am aware, they are the only Government in the history of Cayman that has failed to do so. But it's not his fault. It's our fault; it's the FCO's fault; it's the civil servants' fault—it's everybody's fault, but that of the elected Government.

Madam Speaker, the Premier bemoans the fact that the FCO, he says, has the upper hand. Madam Speaker, I am here to say to you, to this House, and to all within the sound of my voice: *Thank the Lord somebody else is in control!* Because, Madam Speaker, if what the Premier is saying is to be believed he would have come down here with a Budget that showed about \$630 million in recurrent expenditure which had additional borrowing proposals and carried on business as usual. The constraints are those that have been imposed by the FCO.

Madam Speaker, the point which I believe the Premier deliberately misses in all of this is that the fundamental problem with the budget in Cayman is not the FCO. The fundamental problem is that we are spending more than we are earning. And if all of us haven't understood that by now, God help this country, because, essentially, that is what the Premier is saying. *If the FCO weren't there, I could get on with this business and we would get things done.*

The Premier, Hon. W. McKeever Bush: Nah, that nah what I said.

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Madam Speaker, I believe in the far reaches of Africa the people must know by now that the Premier has said that the previous administration left a deficit of \$81 million when we demitted office in 2009, because he has shouted it from every rooftop, on every platform he stood on, and I believe in every country he has visited—and he has visited so many. There is no doubt that, coupled with the reaches of the Internet, everybody knows that that's what the Premier said. But, Madam Speaker, we are yet to see any audited figures relating to that.

The Premier, Hon. W. McKeever Bush: I wonder why.

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: And indeed, Madam Speaker, the Government has actually changed the Public Management and Finance Law to prevent, or to remove the re-

quirement that those figures have to be audited, so I don't think we'll ever know the truth. But be that as it may, let's take him at his word for the purposes of my argument—for no other purposes but for the purpose of my argument.

The Premier came to the House . . . (actually, it was the Financial Secretary, because the Constitution had not yet changed). But the Financial Secretary delivered the first Budget Address of this Government in October of 2009. Then the Government claimed to have already turned around the financial position of Cayman because they had predicted, way back then, a significant . . . maybe "significant" is over-stating it. They predicted a surplus for that year. They had already figured out how to get spending under control.

Well, Madam Speaker, that didn't actually transpire. But the Premier then came to the House in 2010 and was able to boast that the position had improved significantly. Now, Madam Speaker, at that time the Government also presented the three-year plan, the Three-year Budget Forecast, it is called, which it had developed and presented to the Foreign and Commonwealth Office setting out what was to be the path to sustainability as far as government finances were concerned.

Everyone will also remember that we had engaged the services of two experts in addition to the Financial Secretary to produce a report, which is officially called "Addressing the Challenge of Fiscal Sustainability of the Cayman Islands—Final Report of the Independent Commission, February 26, 2010." And the authors of that report were Mr. James C. Miller, III, who was the Chairman, Mr. David Shaw, and our Financial Secretary, Mr. Kenneth Jefferson. That was in February 2010.

The objective of that exercise was to have . . . and this was sanctioned—if not urged—by the FCO, the carrying out of this survey, because there were all kinds of discussions going on in Cayman and all kinds of discussions between the Government of the Cayman Islands and the Government of the UK about the sustainability of Cayman Government's financial structure. There was talk about the possibility of direct taxation being imposed and a whole range of other alternatives.

So, the objective of this exercise by what is called the Miller Commission, for short, was to examine what really was the picture in Cayman as it related to the structure of government as it related to the way that we derive revenue and as it related in particular to expenditure and to borrowings. It also looked more broadly at the whole Cayman economy and particularly the financial services industry and the tourism industry which are the two main pillars as we all know.

So, Madam Speaker, against all of that background the Premier comes to the country, produces this three-year budget forecast; the "Three-year Plan", as it is called, and indeed the Budget Address he delivered in June 2010 reflected this three-year report.

Now, this plan indicated that by this year, this Budget year coming, the 2012/13 budget year, Government would be projecting a \$60 million surplus, that by the current year that we are in the Government would have been looking at about a \$9 million surplus, and that we would have gotten a whole lot of things right that are currently wrong.

Now, Madam Speaker, we have this situation where the public service has this year indicated to the Premier, as Minister of Finance, that they estimate that the operational expenditure for central government is going to be \$628 million, or thereabout. The Strategic Policy Statement which the Premier delivered on 1 December last year indicated that spending should not exceed \$497.9 million for operational expenditure. So, where has all of this additional expenditure, or projected expenditure, come from? Did the public service just sit down and say, *Wow, everything is cool; we can just spend as we like?* Because, if we listen to what the Premier says, that must be what happened.

This is the same Premier, Madam Speaker, who in December, having announced in August that what was supposed to have been a \$31 million deficit had been transformed into a \$25 million surplus for the year that ended in June 2011, and because we were running at \$25 million surplus Government had certain leeway and all sorts of things were able to be done, including giving back to civil servants the 3.2 per cent pay cut which had been imposed earlier. So, we have gone now from a \$25 million surplus into a situation where the projections of the public service are, we'd be running a \$130 million deficit.

The Premier says that the exercise over the course of the last we-don't-know-how-long, because he's been very, very careful not to say when he sent those figures to the UK Government, the FCO . . . he's been very careful not to say when the Government actually engaged themselves in this budget process. He said he sent an email . . . he sent a memorandum (I think is what he said) to the public service on 18 January saying what the parameters were. And I believe that, because that comes from the SPS which was delivered on 1 December.

But what actual engagement has the Premier as Minister of Finance and the Ministers of Government, indeed the broader caucus, had in this exercise in the period between January and when this thing became a national crisis a month ago? I tell you, Madam Speaker: Based on what I hear, not very much. Not very much at all. In fact, the system had been left to run itself with the Minister of Finance, the Premier, out of the Island for the majority of time. And all key decisions can't be made because he's the only man who can make the decision.

That's why we have a crisis! Because the crisis is not just a deficit; the crisis is the inability of the Government to even produce an Annual Plan and Estimates. I don't know, but most people I know, know

that 1 July the Government starts a new fiscal year. It's been that way for a long time. So, Madam Speaker, the Premier now tells us that actually there is no problem this year (the current year that we are in), that we are looking at a \$1 million deficit when we look at the whole picture of the entire public sector. Marvelous!

But I will tell you what, Madam Speaker, I don't believe a word of it. I don't know how we get from a \$1 million deficit this year to a projection by public servants that we are looking at a \$130 million deficit next year. I don't believe a word of it any more than I believed that we had a \$25 million surplus in August of last year. I don't believe it. I don't believe it.

Madam Speaker, the problem is that for all of the rhetoric of the last three-plus years, nothing of consequence has been done by the current Government to address the fundamental problems which are plaguing the state of government finances. All the Government has done is to blame the previous administration, of which I was a part, for every wrong, for everything that doesn't work, everything. And now, of course, Madam Speaker, the FCO are also a major culprit and, to a lesser extent, even though more caution is employed when the criticisms are given, the good old public service.

But, Madam Speaker, this plan that the Premier touted, this plan that the Premier spoke to at length in his Budget Address of June 2010, indicated what would ensue. This is what the Government said would get Cayman back onto the path of fiscal sustainability and result in a \$60 million surplus by this upcoming year. The problem is that nothing of consequence has been done.

Madam Speaker, the plan, on page 8, speaks to key strategies supporting the three-year plan. I quote: **"This plan is based on five key strategies which the Government is committed to implementing over the medium term. These strategies underpin the various initiatives outlined in section 5 and are outlined below."**

"4.1 REFORM THE PUBLIC SECTOR - The Government is committed to a major public sector reform initiative over the medium term. This reform is based on the following:

- **Implementation of many of the recommendations of the Miller Commission Report, and in particular with a view to securing a sustainable reduction in Government's operational expenditures and improving efficiencies in various departments.**
- **Completion and implementation of recommendations resulting from the review of various civil service departments which is currently underway.**

"The Premier/Minister of Finance will be proposing a formal framework to the Cabinet for the effective implementation of the various

recommendations in the Miller Commission report. The framework will include appropriate monitoring and accountability structures as well as overall management of this important initiative. The Government will also be incorporating results of the civil service review into the overall implementation plan. The objective of formalising the public sector reform process is to ensure that the targeted reform benefits which will impact this three-year plan, are achieved for this plan as well over the medium to long term.”

The Speaker: Honourable Leader of the Opposition, when you are quoting, can I have the title of that report and the page you are quoting from for the records, so that the [Hansard officers] can follow when they transcribe?

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Happy to do so, Madam Speaker. It's entitled "The Cayman Islands Government's Three-Year Budget Forecast 2010/11 to 2012/13" presented to the Foreign and Commonwealth Office, May 24, 2010. I have been reading from page 8.

The Speaker: Thank you sir.

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Madam Speaker, when the Premier responds, or indeed, whenever any of his colleagues rise to offer their contribution, I do hope that some of them are going to tell us in some detail what the Government has done about the implementation of the recommendations in the Miller Report. For if they have implemented even one of them they have done so very quietly because none of us are aware of them.

And the theme over and over and over again in the Miller Report is about the need to contain operational expenditure. Everything that the Government has proposed as it relates to a budget surplus is based on controlling operational expenditure. We all know what has in large part driven the increase in operational expenditure. The Premier talked about (what did he say?) 1050, or 1026, whatever it is, 1,000-plus persons that were added to the public sector as employees—he said over the four-year period we were in office. I have no way of knowing whether that figure is right or wrong. But I do know that over the period since the passage and implementation of the Public Management and Finance Law and the structures and personnel that that drove, there has been a significant increase in the number of persons in the public sector.

The Miller Report spoke at length about the need to look very carefully again at the whole Public Management and Finance Law to decide whether or not everything that is contained in there is actually what we need, and whether, quite frankly, we can afford much of what is there. The Government has

come to the House over the last year or two with some changes. But, quite frankly, nothing of consequence as it relates to the overall structure of how Government finances are managed.

What has Government done about this whole question of operational expenditure? I suspect that what the Government did, because we can hear it when the Premier speaks about their magnificent achievement last year. They came to the view (this is what I believe, Madam Speaker) that the economy was rebounding and, therefore, revenue was going to take care of the additional expenditure and we wouldn't have to worry. So, no hard decisions have been taken at all to contain operational expenditure. So, we get to this point in 2012 when the public service says, *Hang on, we need another \$130 million over what you told the House in December, Mr. Premier, to run the business of Government.*

So, when the Premier carries on—as he has over the last month and today again—about they have to cut, they have to cut, they have to cut, we have got to get this thing down to where it is supposed to be, the big question in my mind, Madam Speaker, as one who has taken the bitter pill and is still suffering the consequences thereof, is: Will the cuts actually reflect reality? And I say that, Madam Speaker, because despite the fact that the PPM has been painted as completely incompetent and incapable of managing the finances of the country (and the Premier and his cohorts have done an excellent job in that regard), the reality is that for the first three years that we were in office we not only presented balanced budgets with substantial surpluses, but we delivered them! It was the last budget which was presented projecting a surplus but which had the reality of the global financial meltdown to encounter, that things went off the rail.

I know very well the measures that we tried to take and the efforts we made to contain Government operational expenditure over that period. And I know how miserably we failed. So, if the Premier comes down here in two months' time and presents some artificially prepared budget which doesn't actually accord with the realities of what Government expenditure is actually going to be, I fear not for them, because their term ends in 10 months and the country will have to decide then whether or not to renew their contract. But I fear for the country for we cannot continue this state of uncertainty and crisis which the country has had to deal with since 2009.

Madam Speaker, the other strategy, **“4.2 Limit New Borrowings - As part of its strategy to return the country's national debt to more sustainable levels, the Government will pursue a low borrowing policy over the next three years. In particular, the Cabinet has agreed to limit new capital expenditures to a nominal amount which is not to exceed \$25 million. . .”**

Now, Madam Speaker, we have heard the Premier on and on for the last three-plus years, about

his Government is not going to borrow, they are going to limit what they borrow. But what we are hearing today and, indeed, what we heard from last December, does not accord with reality. Whether you call it an overdraft or whether you call it a loan, whether you call it a short-term loan, or a long-term loan, it is money that the country will owe. And he can dress it up any way he wishes, the reality is that his Government has and is continuing and, in fact, if he is to be believed, this budget—the one we haven't gotten—has foundered on the reef of new borrowing proposed by the Premier and Minister of Finance. So that strategy certainly hasn't been employed.

The next one: "Realign existing revenue base." Madam Speaker, I always wondered what the Premier meant when he talked about realigning the existing revenue base. But I am in even greater wonderment about what has been done in that regard; if efforts have been made they have been done very, very quietly for what we have seen is absolutely nothing.

The next strategy: "**4.4 – Reduce operating expenditures.**" That's where we are at. That, Madam Speaker, has not only not occurred, but based on what the public service is projecting we are looking at a significant increase in operational expenditure under the current administration.

And then, Madam Speaker, "Consider the use of private finance initiatives as an alternative source of capital financing." Well, I don't know much about any success in that regard because I don't believe even the Premier would have the nerve to hold up the proposed new port development as a good example of that and the success of his Government in achieving that.

Then, Madam Speaker, the fifth strategy was the economic initiatives supporting the plan which included medium term divestment opportunities. We have heard a lot about divestment by the Government of its assets as a means of repaying some of the debt of the country. We heard about the proposal to divest the Government Administration Building, which, thankfully, hasn't happened. I am convinced that would have been false economy. We heard, and are still hearing, about the proposal to divest the sewerage component of the Water Authority. But that has foundered on the reef which has been the death knell of so many of the Government's initiatives; that is, the failure to follow proper protocol and to follow the correct procurement practices. It remains to be seen if that will occur before they are required to demit office in March of next year because for those who might think it is 10 months, the House will be dissolved in March of 2013.

"**Minimising New Revenue Increases on Businesses in Immediate Term.**" This, Madam Speaker, was a proposal in the plan which came after the Government had already imposed \$126 million revenue package in October 2009. Every budget that

they have presented has come with a new revenue package. So, Madam Speaker, when you consider, not only have they not contained operational expenditure, but that they have increased the tax burden on the citizens of this country. I don't know what the total figure is because I don't know how much we have actually garnered as a result of the master fund revenue measure taken in last year's budget, and we are yet to know what the plans are for this year. But we do know that the liquor licensed establishments have already been warned that they are going to be some of the new victims.

Madam Speaker, it is interesting, as well as ironic, to read some of the thinking in this plan. One of the key policies for the upcoming fiscal year, it says, is the Government's decision to minimise the introduction of any new revenue measures during the 2010/11 fiscal year. That was because they had imposed the \$126 million the year before. "**The experience of the current fiscal year indicates that the economy is at the point where further taxes will very likely cause direct harm to the economy. The attempt to raise significantly work permit fees for foreign workers, for example, has likely contributed to firms restructuring their personnel to work from other jurisdictions outside the Cayman Islands. This has not only resulted in lower than expected work permit fees, but has also contributed to a reduction in the level of spending within the local economy. The Government is cognisant of the fact that it is precisely this type of unintended reaction that would occur and in a more pronounced manner, if a payroll or an income tax were to be introduced on a labour force that comprises 50 per cent transient workers.**"

Now, Madam Speaker, there are some substantial nuggets of wisdom in that short paragraphs. And it is the Government's plan, but it certainly is not part of what the Government has actually done.

The other components of the fifth strategy, which is entitled, "**Economic Initiatives Supporting the Plan**", include promoting physical presence for financial services operations, targeting new sources of business, and it talks about road shows to Asia, Singapore and Hong Kong. I don't know if this has paid any dividend at all, but we do know that the Premier is quite the globe trotter and that all named countries have been visited, some more than once.

Next is Private/Public Sector partnerships in the Tourism sector. I don't know if any of those have occurred. But perhaps when the Minister himself or the councilor speaks to these issues they can tell us.

And then, Madam Speaker, the big one: "**[5.6] FACILITATION OF MAJOR PROJECTS WHICH HAVE SIGNIFICANT ECONOMIC IMPACT.**" The plan reads: "**The table below lists the numbers of specific projects and their estimated values. These projects have been taken into account in the forecast of the economy over the medium term. . .**

Camana Bay—value in CI dollars of expenditure over the next five years, at least \$500 million.

Ritz Carlton . . .”

Well, Madam Speaker, what I will say is that that one has been ongoing and still ongoing. How much it has actually contributed to the economy over the last two years since this plan was written, I don't know.

- **“Ritz Carlton/Dragon Bay, this includes the extension of the existing Ritz Carlton site plus the adjacent Dragon Bay development, (estimated) to generate approximately \$500 million within the next five years.”** I'd have to call that one an epic fail.
- **“Various high end condo developments (Waterford, Watercolours, Cypress Pointe), all located in the Seven-Mile Beach area, \$220 million.”** The Watercolours are progressing nicely.
- **“Various commercial developments (Caribbean Plaza, Cayman Office Campus) \$30 million.”** Well, the Caribbean Plaza has now started.
- **“Cruise Ship Port \$200 million . . .”** Epic fail.
- **“Cargo facility to be located on Eastern side of Island . . . \$150 million.”** Epic fail.
- **“A New island wide sewerage system \$150 million.”** Epic fail.
- **“Waste-to-energy facility \$150 million.”** Epic fail.
- **“New hospital project \$150 million.”** Well they bought the land and they cleared it, so we'll see.
- **“Affordable housing initiative. Construction of affordable homes in several locations around the island \$11.6 million.”** A total of \$1.9 billion.

These, Madam Speaker, are projects which the Government said did not require any supporting infrastructure and that these are the projects which are going to stimulate the economy and this is all part of the overall premise on which they, the Government, are going to the economy around, transform the state of Government finances, put us back on the path to fiscal sustainability.

Now, Madam Speaker, on the assumption that the plan was a good plan, there is no doubt, or there can be no doubt as to why we have arrived at the position that we are at now, where the Government is not even capable of delivering a budget, presenting a budget, let alone delivering what the budget promises. And that is because virtually nothing in the plan has actually happened. The place has been on autopilot. While the Premier is partying in London, in Panama and Honduras, the thing is on autopilot. And then we expect that we can somehow come to the country and say, *Oops! Ladies and gentlemen, sorry*

we didn't realise that the 1st of July was coming up on us so quickly. So we have to invoke emergency provisions under the Public Management and Finance Law. And stay with us, we'll get through this and before long you know there'll be another election and then we can start all over again.

That's where we are today, Madam Speaker.

Madam Speaker, the PPM Administration, and myself in particular, has been the whipping boy of this Government for the last three-plus years. Everything that is wrong is to be laid at the feet of the PPM's fiscal mismanagement. Madam Speaker, let me say this: Whatever the deficit figure is (and I don't know that we'll ever know what that is) we concede that we left a deficit; I will even concede a substantial deficit. We left it, because we acknowledged it when we came to the House in Finance Committee in March. The Financial Secretary said to the country then that the deficit would be \$29 million, that it was \$18.1 million at the end of March. So fine. Fine.

But, Madam Speaker, whether we say that the PPM spent too much, whether we say that the PPM ought to have seen the global recession coming, the reality is this.

[Inaudible interjections]

The Speaker: Please excuse me, Leader of the Opposition.

Member in the corner, please, we do not wish exchanges between the balcony and yourself. Not the Member for North Side.

Please sit down.

The Premier, Hon. W. McKeever Bush: He is part of it.

The Speaker: Leader of the Opposition . . . please be quiet on that side as well. Leader of the Opposition please proceed with your speech.

The Premier, Hon. W. McKeever Bush: We were not being . . . swear to God . . . well you were talking even though when you—

The Speaker: Please be quiet!

Mr. V. Arden McLean: Say the Premier too!

The Speaker: Leader of the Opposition please proceed with your speech.

The Premier, Hon. W. McKeever Bush: I was writing. I was being a good boy.

The Speaker: Honourable Premier, please, we would like to continue the debate. The Honourable Leader of the Opposition needs to finish his speech.

The Premier, Hon. W. McKeever Bush: I would like to stop him, but I can't stop him.

The Speaker: Please continue, sir.

[Inaudible interjection]

The Speaker: Do I have to take measures to silence the House?

Leader of the Opposition please continue.

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Madam Speaker, perhaps Members are becoming a bit restless and hungry.

The Speaker: Could be.

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: So, I would be happy to take the break now, because I have a fair bit more to say.

The Speaker: You are asking for a break at this time? You have a considerable amount to continue, is what you are saying?

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Yes, Ma'am. I was trying to be helpful.

The Speaker: Thank you sir.

We will call a suspension now for the lunch break until 1.30.

The Premier, Hon. W. McKeever Bush: Please it is just 12 and we just started. Come on now.

Proceedings suspended at 11.57 am

Proceedings resumed at 1.38 pm

The Speaker: Proceedings are resumed, please be seated.

When we took the break the Leader of the Opposition was in the midst of his debate. I will ask him at this time to continue, please.

GOVERNMENT MOTION

No. 1/2012-13—Authorisation of Executive Financial Transactions for 2012/13 Financial Year

[Continuation of debate thereon]

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Thank you, Madam Speaker.

Before we took the break I was just moving on to talk about the supposed, so-called, \$81 million deficit which is part . . . in fact, really the platform, the premise, the foundation of everything that the current Government says is wrong and that they haven't done

or haven't achieved, and that the responsibility is that, principally of the PPM and partially that of the FCO and partially that of the public service.

Madam Speaker, I had before that spent some considerable time pointing out that, in fact, the Government has actually done nothing of consequence to address the fundamental problems with the Government's financial structure and its operations.

Madam Speaker, when you look at the [Miller Report](#) (to which I have referred before) we see that the commissioners back then (and this is February 2010) expressed concern about the Government's Strategic Policy Statement for 2010/11 and raised real doubts about whether or not what was proposed there was actually achievable. Those doubts have proven true.

The first full paragraph on page 30 of the document, and I am quoting:

"The data laid out in the Strategic Policy Statement for [FY] 2010/2011 appears to us to be—challenging in seeking to achieve an operating surplus, and we believe that some consideration of downside possibilities should be addressed. In the Government's recent Offering Memorandum a number of risks to the Government's future financial performance are set out. We have not carried out an update of the forecasts, but we perceive that further investigation is required of the following risks in addition to those set out in the Offering Memorandum . . . :

- **Revenues from the recent duty, license, and other fee increases could fall short of expectation because of the difficulty of making accurate predictions in current circumstances, particularly for income derived from work permits; in light of delays in implementing certain revenues assumed in the Strategic Policy Statement; and the fact that preliminary revenue figures for FY 2009/2010 are falling short of forecasts.**
- **Costs that are due to be restrained and even reduced are relatively fixed by employment-related contracts, and both staff and non-staff savings may not be sustainable throughout the three-year forecast period;**
- **There is a mismatch between sources of revenue and expenditure:**
 - **Expenditure is growing faster than even nominal GDP, with staff salary costs seemingly tied to at least inflation plus 2 percent in addition to extraordinary increases in civil service healthcare and pension costs;**
 - **Annual operating expenses grew by 41 percent from [FY] 2005/2006 to [FY] 2008/2009. According to the Strategic Policy Statement of [FY]**

2010/2011:—This rate of increase is not sustainable. But we have not seen any evidence of substantial reductions in Government expenditure. For example, the forecasts show spending in:

- § [FY] 2009/2010 just 1.1 percent below FY2008/2009;
- § [FY] 2010/2011 only 0.1 percent below [FY] 2009/2010; and
- § [FY] 2011/2012 only 1.7 percent below [FY] 2010/2011;

- **Asset sales are not in an advanced stage, and the sales timetable may not be met. The planned privatization of the new Government building might actually result in a net revenue decrease over the forecast period;** Well, that didn't happen at all (the sale).
- **Existing assets require a rate of replacement that may be in excess of that planned. . . .**
- **Investment capital required in Statutory Authorities and State Owned Enterprises historically has averaged \$10 million each year. The Government has made investments and/or had to cover losses even in benign economic times."**

So, Madam Speaker, for the Premier to expect this House or, indeed, the country to believe that the consequences we are facing now are the result of the terrible PPM and the big bad FCO, and the failures of the public service, is a huge stretch. The reality is that his Government has done nothing at all of any consequence to address the fundamental problems which underpin the Government's financial forecasting and budgeting process. And so, to expect that there are going to be changes for the better is simply just a case of great expectations which have no basis in reality.

Madam Speaker, towards the end of his contribution, the Premier started blaming a whole range of additional expenses, including efforts taken, measures taken to try and deal with the growing crime situation that we have and a number of others. And there is some basis in some of that. But what the Premier has not addressed, and what he will not acknowledge is that a great deal of the problems we are facing are simply because the present administration have spent money as though money was not an issue on whatever it was that he or others of his cohorts believed was important.

I mean, in the situation we are in now, how can Government really be spending money campaigning against the one man, one vote initiative?

How can the Government hijack the people initiated referendum process, take it over and now spend the people's hard earned money to persuade the people not to support the referendum which they are putting on?

How can the Premier explain the whole Cohen loan fiasco which, at a minimum, according to the Auditor General, has cost the country \$450,000 because it was such a great deal that he was promised?

How can we be taking \$10-plus million putting it into what we call a nation-building fund for the Premier to dispense as he wishes in a time of crisis? Not to mention the travel, Madam Speaker, to all parts of the world—even to a cell phone (and this wasn't the Premier, this was the Deputy Premier) conference in Barcelona.

What are we doing?

The Port deal—where are we with that? How many hundreds of thousands of dollars, if not more, has Government invested in that process? And so far what we have gotten for it is that we have had to pay GLF \$2 million.

Now, Madam Speaker, we had an instance up at a public meeting in East End in which the Premier announced that because one John McLean, Jr. had identified certain projects and because the current Member for East End, Arden McLean, is doing such a poor job, in his estimation, that Government is going to allow John McLean, Jr. to use certain monies to carry out certain projects on behalf of the people of East End. That, Madam Speaker, is just an outright attempt to buy an election in East End. But the people's money is being used to do it!

And now the most recent, Madam Speaker, that I have seen—

The Speaker: Honourable Leader of the Opposition, please do not impute motives to another Member. You cannot say that this is an outright attempt to buy votes, or to buy elections, or any other statement like that in this House. Thank you.

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Thank you, Madam Speaker, I withdraw it.

It appears to be that to me!

[Laughter]

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: And, Madam Speaker, the most recent we have seen was in yesterday's paper in which we see a full page ad in which \$5 million, which has been put in the public coffers by the Dart group, is to be dispensed at the whim of the Premier and a committee which he has appointed to help people build or repair their houses, as the case may be. There is nothing wrong, in fact there is everything right about helping people in need. That's what Government is about. But it is the way the process is carried out.

Then, Madam Speaker, we have this classic case, which, apparently, is part of the reason why the FCO will not approve the Government's budget, of the Premier seeking to borrow \$15 million to install solar panels on the homes of people who are struggling to pay their electricity bills. Well, they are struggling to pay them, in part, at least, because since this Government took office they have increased the cost of diesel by 45 cents per gallon, which has had the obvious knock-on effect of increasing the rates of electricity.

I hope, Madam Speaker, that when the Premier is complaining about implementing the Bill of Rights and various other things which he claims is what has driven up the operational cost to Government, that he offers some explanation about these sorts of things. And that is just a sample that I thought about as I was sitting here waiting for the House to resume. If I were to go through the list of those sorts of things that have occurred in the last three years, I'd be here a very, very long time.

Madam Speaker, here we are three-plus years down the track since this Government took office. Last June, the 10th of June, the ¹[Hansards](#) of this House record that the Premier said in his Budget Address: **"In its first full year of office, we have been able to reduce the unaudited deficit for the entire public sector to fifteen million dollars (CI\$15 million), for the year ended 30th June 2010 (last year). For the year ended 30th June 2009 there was a deficit of eighty-one million dollars (CI\$81 million). Our achievement—to reduce the deficit by a whopping sixty-six million dollars (CI\$66 million)!"**

"Since 2009, Madam Speaker, the fiscal position has shown further improvement. For the first ten months of the current fiscal year, the period from 1st July 2010 to 30th April 2011, the entire public sector had an unaudited Surplus of seventeen point six million dollars (CI\$17.6 million). This is the combined result of an unaudited surplus of fourteen point one million dollars (CI\$14.1 million) for Central Government plus an unaudited surplus of three point five million dollars (CI\$3.5 million) for the Statutory Authorities and Government-Owned Companies.

"Projections that were received from chief officers and chief financial officers indicated that it was possible central Government would incur a deficit of four point six million dollars (CI\$4.6 million) to 30 June 2011. To avoid this possibility, my Government met with chief officers and chief financial officers to establish revised expenditure limits for the year to 30 June 2011. If these revised limits are adhered to (and I have no doubt that they will be), it is expected that the year to 30 June 2011 will end with a small surplus.

"To put this performance in context, it must be noted that the 2010/11 Budget approved by the Legislative Assembly in June 2010, indicated an entire public sector deficit of thirty-one point nine million dollars (CI \$31.9 million) for the current fiscal year ending 30 June [2011].

"Although a very small surplus of approximately four point five million dollars (CI \$4.5 million) for the entire public sector is anticipated in respect of the 2010/11 year, this small surplus would represent a tremendous improvement to the projected deficit of approximately thirty-one point nine million dollars (\$31.9 million). This outstanding improvement is not accidental, Madam Speaker, it reflects proper fiscal discipline by this Government.

"This improvement resulted from better than expected revenue performance—again proving the Opposition wrong that the revenue was going to be less this year. It exceeded what we said—and, continued discipline in relation to Government's expenditures."

And on, and on, and on, Madam Speaker, as the Premier gloats about the supposed fiscal prudence and management by his administration.

That is one short year ago. But today, Madam Speaker, the Government is not even in a position to deliver a full year budget because of the challenges posed by operational expenditure which the public service is saying is \$130 more than the Government wants it to be. That, Madam Speaker, is because the Government has done nothing to address the issues that really, really are causing the problem.

Madam Speaker, as much as they beat the PPM about what they say is an \$81 million unaudited deficit in our last year in Government, at least we paid what was due and owing while we were there. Ask the Premier, or any of them, to say how much they have contributed to past service liability for Government pensions in the three-plus years that they have been there (and this will be their last budget). I can tell you, Madam Speaker: Not one solitary cent!

In the four years that we were there, we paid more than \$60 million in the Government's past service liability fund.

Madam Speaker, if you look at—

The Speaker: Honourable Leader of the Opposition, I hate to interrupt you, but there is some electronic equipment in here that is disturbing the recording. Please turn it off now.

I don't need any help. I am asking the person who has that equipment to please turn it off.

Honourable Leader of the Opposition, please continue.

If these disturbances continue, his speech will be interrupted in the recording, and I will not have the full text of his speech. Please turn it off whoever has it.

¹ Official Hansard Report 10 June 2011, page 13

Honourable Leader of the Opposition, please continue; I'm sorry to interrupt you like this, but the speech will not be recorded otherwise.

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Thank you, Madam Speaker.

I think most of us have BlackBerries, so I don't know if it's one person in particular, but . . .

[Inaudible interjections]

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Madam Speaker, identified by both the people who prepared the offering for the bond offering and the commissioners who wrote the Miller Report was the issue of what they call "contingent liabilities," principal among which is the past service liability for government pensions and government's obligation for health care to public servants as well as to indigents, (the two most critical factors which cause major concern about the Cayman Islands Government's continued financial sustainability). They actually said that if we don't get a handle on what they call "contingent and unfunded liabilities" that the Cayman Islands Government is going to find itself in relatively short order going to find itself in major, major problems.

Madam Speaker, ask the Premier and Minister of Finance, or any of the rest of them over there, what they have done to address these two critical issues.

The Governor himself, Madam Speaker, when he addressed this House in the Throne Speech last year, pointed out that the only reason, the only how the Government had managed to propose a budget with a surplus was because they had not been paying the past service liability.

I say all of that, Madam Speaker, to say that all of this that we have gone through for these last three years is an artifice; it is an attempt (and by and large it has been successful until now) by the Government to persuade the people of this country and those who live and work and invest here, that somehow they have managed to get this country back on a path of fiscal sustainability. It is not true, Madam Speaker! It is a lie!

And, Madam Speaker, the chickens are now coming home to roost, and we still have not yet had the wakeup call about the unfunded pension liability. And although we are seeing more and more evidence—real, worrying evidence—about what is happening on the healthcare provision front. Because of certain utterances by the Minister of Health, I know that at least he understands what we are dealing with. And, Madam Speaker, this other practice of ignoring the huge amount of subsidies that have to be provided to three government institutions—in particular Cayman Airways, the Turtle Farm (or Boatswains, Beach, whatever we call it), and the National Housing Trust.

They beat me to death at every possible opportunity talking about the money that is being spent to develop the two schools. Again, we really don't know what that figure is because even in the recent Auditor General's report, which I saw, he said he has been shown no accounts in relation to it. But we know what the Government is saying the schools cost—\$100 million each . . . or what they are going to cost, because they are not even planning on finishing both of them in this term, talking way down the track.

But I will say this, Madam Speaker: This same party developed and built Boatswains Beach (they now changed the name back to Turtle Farm). It wound up costing \$60 million. It was opened, finally, in 2005, I believe, by the time it was finished (2005, 2006). And every year since then, Government has been required to put in around \$10 million to keep that running. So, if the facilities of which the schools are a part (hurricane shelters, sporting facilities, community centres are all part of those projects), even if they do cost the projected \$100 million, I am willing to wager that that has to be a better investment than the hole in the ground down Boatswains [Beach] into which we pour \$10 million a year on top of the capital costs of building the place.

That is part of the vision of the now Premier.

Madam Speaker, as I said earlier, we ran and produced and presented four budgets in this country; each one presented on time. Each budget proposed a surplus. The first three budgets delivered surpluses. Our final year was the year where we incurred substantial deficits. And the accusation is that we didn't know how to manage and the accusation is that we spent too much money.

But I will say this: For the money spent by the PPM, we rebuilt this country in the aftermath of Hurricane Ivan. Elections were held six months after Ivan struck in September, and little had been done by the outgoing administration to try to get the country back on track. That fell to us to deal with. Virtually every government building sustained significant damage. Some of them had to be completely rebuilt. Every sporting facility in this country owned by government was substantially damaged.

We repaired, we built, renovated, every single government building that sustained any damage. We rebuilt and improved the Truman Bodden Sports Centre and the Ed Bush Stadium in West Bay. We re-did every single football field in these Islands owned by government back to competition standards, including artificial pitches at Ed Bush and the Annex, and we completely re-did, as the Minister of Health knows very well, to really high standards, the natural turf at Truman Bodden.

We re-did every single library, including putting a library for the first time in West Bay—the district where the Premier has been the Elected Member for nigh on 28 years, and in charge of Government, or certainly involved in Government for much of that

time. It was the PPM administration that gave West Bay a library.

We started the construction of the Government Administration Building, which had been talked about for years, and years and years. It was a sick building, in the sense that people who worked there regularly got sick because of the environment. We moved ahead with the construction of schools that had been promised for years, and years and years. All that was there were signs, ground breaking ceremonies with golden shovels, and nothing.

When we took office, people living in West Bay were taking the best part of an hour to get to work in the morning. Everybody talked about what they were going to do. We did it! We put the road through.

They carry on about the cost of what they call the schools, the facilities of which the schools are a part. Madam Speaker, when we were developing the plans for those facilities, the then Chief Secretary (he was not the Deputy Governor at that point because the Constitution had not changed), Donovan Ebanks, called me personally and said, *Minister, I know you are going about developing these new schools. Remember now, we are just a year, 18 months, out from Ivan.* He said: *One of the things we identified in the Ivan crisis was the fact that we were desperately short of shelter space. We cannot accommodate the people in the population that need shelter in a time like that. Would you consider, sir, in developing these new facilities that you build them to standard that they can serve as shelters?*

And it's not enough to just build a big open space and say it's a shelter. We saw what happened with the Civic Centre in Bodden Town when the roof blew off. You saw what happened with the old Islay Connolly Hall at the old John Gray site when the roof blew off. We saw what happened with what was then the George Hicks High School when part of the roof blew off.

And I said, *Yes. I'll talk with my colleagues about it.* We did. We thought it made sense. There's little sense in building a purpose built hurricane shelter which is locked up 99 per cent of the time. To make it viable you have got to make the shelter part of a facility that is going to be used on a regular basis.

So, Madam Speaker, that is how that aspect of it came along. And so, when these schools are completed, Cayman will have for the first time purpose-built hurricane shelter facilities capable of housing people for extended periods in the aftermath of a major disaster. Do you think that came without significant additional cost? We were told, the estimates at the time, that it would increase the original projections by 25 per cent, the shelter component of it. So those were the kinds of long-term decisions that we took, because we knew it would cost in the short term.

My point, Madam Speaker, is that for the four years that we were in Government, and for the money that we spent, the country can look at tangible results

and see what the PPM did. Ask them on the other side to tell us what we have gotten for all of this pain and suffering that they have put us through in the last 38 months. The fourth budget they have . . . practice is supposed to make perfect. This is their fourth budget. They can't even deliver it on time!

Incompetence; inattention to the country's business! The business of the people of this country matters more than the business of the people of Panama, or Honduras, or even the Queen in England! And it is about time that the Premier gets that through his head. His principal responsibility is to the people of these Islands.

So, when they get up and start with their usual bantering of, *How it is the Leader of the Opposition can say this? He's the one who put us in this mess.* I can hear the Fourth Elected Member for George Town. I could write the speech for him!

[Laughter]

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: But that is all he is able to do!

Ask him, Madam Speaker, on my behalf, where is the Port he was delivering?

An Hon. Members: Oooh yeah.

Mr. V. Arden McLean, Member for East End: He does not want to see another Chinese man! You can believe that.

[Inaudible interjections]

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Madam Speaker, what we have is a Government that is long on talk and rhetoric, but so short on delivering anything of consequence.

Mr. Ellio A. Solomon, Fourth Elected Member for George Town: I'm going to answer you when I get up.

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Of course he's going to answer me, because he can do that. But ask him to do anything of consequence—besides string a whole lot of words together, which at the end of the day leave you scratching your head asking, *What did he really say?*

[Laughter]

Mr. V. Arden McLean: Tell him 'bout the Housing too.

Mr. Ellio A. Solomon: [Inaudible]

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Ask him—

The Speaker: There is only one speaker on the floor please.

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Madam Speaker, I am happy to engage him.

[Inaudible interjection]

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Ask him to tell us about the Affordable Housing Initiative.

Ask him to tell my people in George Town, who come to me all the time, why, one year down the track since they have put them out of the houses up on July Street they still have no houses to go to.

[Inaudible interjection]

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: You want to take responsibility for things? Take the consequences that go with it.

[Inaudible interjection]

Mr. V. Arden McLean: Take the licks!

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Madam Speaker, it is that kind of mismanagement and that glibness—I will ask you when you get up—that is causing the people of this country to suffer the way we are now! There has never been a greater sense of uncertainty in this country than there is now!

We have no budget!

Mr. V. Arden McLean: Speak my brother. Speak!

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: From the Chamber of Commerce to the people in the financial services sector, everybody is talking to me, *Alden, what has become of Cayman?*

[Inaudible interjection]

Mr. V. Arden McLean: Drink your water and tell um.

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: And, Madam Speaker, it's obvious what we are going to be met with when I sit down, the usual attack on the Opposition who demitted office more than three years ago. We are not in charge of delivering a budget to this country! When we were there, the four years we delivered it before the 1st of May.

[Inaudible interjections]

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: We would have delivered a budget. We would not be in this position!

Part of the problem and reason we are in this position is because the first thing the Premier did, with his genius, when he took office, was to declare the country bankrupt and then spend three months running up and down all over the globe trying to persuade people that Cayman is a good place to come and invest.

That's the kind of irresponsibility that has put us where we are now!

[Inaudible interjections]

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: And the Fourth Elected Member for George Town says we're bankrupt again.

Well, let him get up and tell the country about it again and see where we wind up. But I don't understand how he can try to claim that he's been elected for three years and two months and he is the chief spokesperson for the Government. Nobody speaks on behalf of the Government more than him. But he can't explain why we are here. He is not taking responsibility for the fourth budget that they deliver. The Fourth Elected Member for George Town, same said guy.

Madam Speaker, in the 12 years that I have been here I have never known a situation like this. A Government that is not only visionless and clueless, but which, will not even accept responsibility for the fourth budget which they can't deliver.

Mr. V. Arden McLean: It's not the fourth budget; they're failures! Being kind to um!

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Madam Speaker, I wind up telling people every day—as recently as just now in the lobby—*Listen, my dear, I am the Leader of the Opposition and I am your George Town Representative. But I am not in charge of the Government. And if you can't get access to healthcare, it is not my fault. I can advocate on your behalf, but I am not in charge of the Government.*

[Inaudible interjection]

Mr. V. Arden McLean: That's been coming for too long.

[Laughter]

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: The Government has got to understand, even at this late stage in their term, that they are responsible, not just for the big nice glowing headlines when they can make some great announcement, but

also when they come up short in delivering to the people what the people elected them to do.

Mr. V. Arden McLean: Hear, hear!

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: Madam Speaker, the process that we are engaged in now will mean that there is no Finance Committee and that when we finish this debate and the vote is taken, the Government will again have licence to spend up to \$127 million over the course of the next two months for which we haven't had an opportunity to scrutinize those payments in the usual way when a budget is brought.

The Premier says that we need not worry; that, in fact, initial reports indicate that the Government is going to wind up with what looks like just a million dollars in deficit overall, the entire public sector, at the end of this financial year. Madam Speaker, I have expressed my incredulity about that, in light of the \$130 million additional operational expenditure that the public service initially indicated they needed.

But that concern, Madam Speaker, is bolstered further by the fact that in March of this year the Premier, Minister of Finance, came to the House with this document which is called "Appropriation Changes in Accordance with Section 12 of the Public Management and Finance Law" in which he sought and obtained just short of \$50 million of changes to the current year's budget.

Now, Madam Speaker, a whole lot of fancy footwork was done when questions were asked in Finance Committee about why the Government was seeking what appeared to be another \$50 million in expenditure added to last year's figure. We were told that was not actually the case, that a lot of it was money simply being moved around and accounting for money that had not been properly accounted for in the budget in 2011 and so forth and so on.

But, Madam Speaker, we are left to wonder, and everyone must be left to wonder whether in fact the truth was told to us because we still cannot figure out how we get from \$498 million to \$628 million, the smaller figure being what the Premier instructed, indicated the parameters should be, the other being what the public service is essentially saying, *If you want the delivery of these programmes, if you want these projects completed, if you want these policies effected, this is what it is going to cost you, Mr. Premier.*

So, I hope when someone rises to respond to what I have said, in addition to whatever rhetoric the Fourth Elected Member for George Town is going to come with, that for a change he will actually speak to some specifics about issues such as this. He can flog me as much as he wants, Madam Speaker. That's fine. That's fine. He has another seven or eight months to do that. Let him carry on. But, what we would like to see, and what the people whom he rep-

resents would like to see, is some substance for a chance.

Madam Speaker, I will conclude by saying that I have never been more worried about the state of affairs in this country. I have never seen such recklessness, I have never seen such inattention to duty, I have never seen such glibness about what is a major national crisis. Here we are on the eve of the close of the month of June in this House debating a motion for the Government to have authority to spend two months' worth of the budget with no budget to look at, no opportunity to question, to challenge what the Government policies are, what the programmes are. No Throne Speech—not at the start of this Government's term, but on the occasion of what should be its final budget for this term.

If that is not the height of incompetence, Madam Speaker, if that doesn't demonstrate quite how little the Premier understands about running the financial affairs of this country, then I don't know what does. He is, after all, the Minister of Finance as Well. And he's been around this House long before me. This will be his 28th year. There can be absolutely no reason whatsoever why we find ourselves in this position.

He prays, Madam Speaker, he hopes for release from the FCO because they are the ones who are constraining him, are keeping him from doing what he would like to do. And it is me and Mr. Tibbetts, the First Elected Member for George Town, and the others on this side who have put us in the hands of the FCO. I say, Madam Speaker, as has been said to me by many in the business community—thank the Lord that the FCO is in control of the reins, because we would not know where we'd end up if all of this was left to the Premier and his Government.

Madam Speaker, the problem is not the FCO.

The Premier, Hon. W. McKeeva Bush: I agree; it's you!

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: The problem . . . and Madam Speaker, I was going to conclude but the Premier has invited me to refer to another document.

Madam Speaker, the Premier says it is me who has put us in this position. Madam Speaker, as I conceded at the start, yes, we left a deficit. But Lord knows, almost three and a half years in charge, you can't blame me for your inability to even produce a budget—even if it has a deficit!

But what the Premier has done . . . he talks about us putting him in the hands of the FCO, but he has never told this country—although he threatened to many times—why it is that he signed the Framework for Fiscal Responsibility last year. I am trying to find his signature, Madam Speaker, although I don't think he'll deny it.

Madam Speaker, he brought a motion to this House which has never been dealt with, seeking to get the House to adopt this Framework for Fiscal Responsibility. But this document has actually been signed by the Premier and by Henry Bellingham, who is the UK Minister for the Overseas Territories; and the document really, really does constrain whoever is in Government and requires that certain processes be followed before certain things, like the presentation of a budget, can actually occur.

Among the many things that this requires is that the draft budget of the Cayman Islands Government be submitted to the FCO no later than three weeks before it is due to be presented and when finalised. The Premier signed that, giving the UK that authority to ask for those things, not Alden McLaughlin and not Kurt Tibbetts. So, when he rises to respond, he perhaps can explain to this country why it is he was summoned to the UK to do so.

The Premier, Hon. W. McKeeva Bush: I will!

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: And he should also explain whether it had anything to do with the whole Cohen financing fiasco and the UK's expressed concerns about the Government's failure to follow proper procurement practices in awarding contracts and projects. That's what he needs to explain, Madam Speaker. That's what he needs to explain.

Madam Speaker, I know why his feet were held to the fire to sign this.

[Inaudible interjections]

Hon. Alden M. McLaughlin, Jr., Leader of the Opposition: And then perhaps, Madam Speaker, he will also explain why it is that so many of the requirements in this agreement are not being adhered to, not the least of which was the promise that the key principles encapsulated in the new Public Management and Finance Law, which would specify the detail required that's necessary to deliver these principles in practice, (that is, the principles in this agreement would be incorporated into the Public Management and Finance Law), should . . . and come into effect by 1st July, which, as far as I know, is Sunday coming.

We haven't seen or heard anything about this since. But from all of the indications that we have from various sources, the Government is consistently in breach of this agreement. And then he wonders, Madam Speaker, why he is having problems with the Foreign and Commonwealth Office? If a premier of a country and a minister with responsibility for that country signs an agreement, I would sort of expect that they would be a little bit upset if it was ignored after that.

So, Madam Speaker, despite all of the protestations that will follow, there is little doubt in my mind

that the Premier and his Government are the authors, not only of their own misfortune, but the misfortune of this country that is forced to endure the kind of governance that they stand for and that they effect.

Madam Speaker, I thank you for your patience, and the House for the opportunity to offer my contribution to the debate on this Motion which, by the way, Madam Speaker, no Member of the Opposition had sight of until last night. It has been very short notice, Madam Speaker, but we do the best we can.

The Premier, Hon. W. McKeeva Bush: [Laughter]

The Speaker: Thank you, Honourable Leader of the Opposition.

Does any other Member wish to speak?
Member for North Side.

Mr. D. Ezzard Miller, Member for North Side: Thank you, Madam Speaker.

This is a very sad, sad, sad, sad day for these beloved Cayman Islands. Never, Madam Speaker, in the history of this country have we had to witness and be a part of what is happening here today. It should have been the official opening, the first sitting of the first meeting of a new session, which is normally done with much pomp and ceremony—police parades, inspection of the guard, et cetera—where the Governor knocks on the doors of this Chamber, is allowed to enter to present the Throne Speech, followed by the Budget Address.

It is strange, Madam Speaker, that the TV cameras are not here today; that Radio Cayman is not broadcasting it live. Again, it's the normal expectation of the citizens of this country at the start of the first meeting of a new session. But I guess, Madam Speaker, that if I were a part of this Government and creating this kind of history I would try to keep it off the TV too, and off the radio, in the hopes that some people would not hear anything about it.

For me, Madam Speaker, it is embarrassing and I am ashamed to be a Member of this honourable House that is establishing this kind of history in this country. Two years ago we allowed the Government at that time to amend the Public Management and Finance Law to give themselves an extra two months to prepare the budget for the country. What we have here today, unfortunately, Madam Speaker, is history repeating itself. We are here today giving them another two months to prepare the budget.

Madam Speaker, I don't know what is magic about two months. I have been around the preparations of budgets on all three sides of the coin—as a civil servant helping to prepare a budget, as a Minister directing policy procedures and programmes to generate a budget, and as a Member of the Opposition trying to evaluate a budget that is being presented. And I can think of no conversation that the Minister of Finance can have with either, his Ministers, their COs,

their CFOs, in the next two months that could not have taken place in March and April this year and met the deadline.

Madam Speaker, the one job that a Minister of Finance has every year, as long as he is Minister of Finance, is to produce a budget and present it in accordance with the Public Management and Finance Law. That is his most important job for the year. Second to that, of course, would be making sure that what was properly authorised under the Appropriation Law was properly accounted for, and we know where that lies at the present moment.

So, Madam Speaker, this is not something new that only happened this year. Every Minister of Finance and his staff and the Budget unit knows that the most important job for the year is producing the budget. And, Madam Speaker, I believe that the failure two years ago to produce the budget on time, which necessitated an amendment to the Law to extend the time by two months; the failure a year ago to present it within the timeframe that the Law provided before that, and only bringing it at the last minute so that everything had to be rushed. All discussion was curtailed, we couldn't get any detailed answers from anybody and now, the most miserable failure of all is not to be able to produce a budget at all this year.

Madam Speaker, when people consistently fail at their most important job they should be relieved of those responsibilities. I invite the Premier to relieve himself of the [position of] Minister of Finance and give that to one of his other Ministers and let's see if they can do a better job over the next two months and get it done properly.

Madam Speaker, here is the position that the Government puts me in today. If it is one thing that I believe in and have practiced throughout my political life, it is participatory democracy. I believe that the people of North Side, who I am honoured and privileged to represent for the last three years, have an inherent right to be a part of any decisions that I make and come to this Parliament with on their behalf. I had a meeting scheduled for Monday night this week to discuss this budget. I had to cancel it. I got it at 6.30 last night. I have a meeting scheduled for 8.00 Thursday night to discuss it.

But what troubles me about that, Madam Speaker, is that it is after-the-fact. And that is unfair to the people whom I represent. Because, to present me with this Motion at 6.30 last night and ask me to come here today and debate and vote for \$127-plus million in expenditure, with very little time to consider the implementation thereof, no information on the revenue side for that two months has been presented by the Minister of Finance . . . we don't know what the revenue projections are, where the money is going to come from to fund this \$127 million over the next two months. And, Madam Speaker, blame, blame, blame, blame does not solve the problem. Blaming the former Government, blaming the FCO does not solve the

problem. We have to take the responsibility ourselves and put forward proposals to solve the problem.

Madam Speaker, the Government published in an [Extraordinary Gazette](#) on Monday, 3 October—went to the expense to publish an Extraordinary Gazette [No. 79/2011]—a timetable for the 2012/13 Budget. Only one item on that timetable was achieved, and that was to deliver the SPS (Strategic Policy Statement) to the Legislative Assembly. In fact, that was a day late because here they said they were going to bring it 30 November, and I think they brought it on 1 December. No other deadline in this has been met.

Madam Speaker, when you publish these deadlines you don't just do this stuff because it is required under the Law. You do it because you have some intention of trying to meet the deadlines and achieve the goals you have set for yourself. The FCO didn't set these deadlines. The former Government didn't set these deadlines. The current Government published these deadlines on 3 October. **“Detailed Planning and Budgeting Phase, To be completed by 10 February 2012.”** Now, Madam Speaker, if that didn't happen—and obviously it didn't happen—something should have happened. Somebody should have taken the responsibility to make sure that these deadlines were met.

“Governor in Cabinet Collective Review Phase, To be completed by 24 April 2012”; “Legislative Assembly Review Phase . . . , 27 April 2012.” “[Duly] approved and Gazetted Appropriation Law for 2012/13 financial year by 29 June.” Documentation Phase . . . 29 June 2012” Annual Plan and Estimates finalised 29 June 2012.”

First of all, Madam Speaker, any reasonable-thinking Minister of Finance, knowing that the deadline for absolute approval and for the continuation of Government, and that the budget had to be completed in all phases before 30 June, would not be cutting it so close. They would have at least given themselves some maneuvering room by setting some of these deadlines a little bit earlier. And, Madam Speaker, the one thing missing from this deadline is submitting it to the FCO—which they knew they had to do because they signed the agreement and they gave them a three-year budget plan which included them approving each year.

So, Madam Speaker, when you take this kind of flippant approach to such an important thing as budgeting, it's no wonder the Government is in the position it is today. We can't blame the civil servants because the civil servants do not set policy, pass legislation or put programmes in place. Those decisions are made by the ministers and the elected arm of Government. The civil servants have no authority to go out and just imagine and create expenses. So, we can't blame the civil servants. The individual ministers must take responsibility to decide what programmes,

what policies and what legislation it is going to amend to reduce expenditure.

We can't reduce expenditure in Government by simply writing a letter to all civil servants and telling them not to spend the money. The PPM proved that that didn't work in 2008/9. The only way you are going to cut expenditure that is already appropriated is to bring an amending Bill to this parliament and reduce that amount of money which was authorised. Because as long as it is authorised, any minister can go to his chief officer and say, *Well yeah, I know the Premier, the Minister of Finance, sent a little letter saying that we should cut back on expenditure, but I really need this thing done.* But if you bring it down here and you remove the authorisation by amending the Appropriation Law by reducing the subhead, neither the minister nor the civil servant can do that.

Madam Speaker, I have been up there. I know how the ministries play around for these kinds of things, when they all have their little special things that they want done. And when you go in (it used to be ExCo in those days) and the Financial Secretary at the time tells you, *You, Minister of Health, need to cut your budget by \$10 million*, a little greenhorn like me goes back and I actually cut mine by \$10 million. I came back the next week to Cabinet and some other minister increased his by \$5 [million]. And he said, *Well, we knew you were going to cut yours by \$10 [million] so we can increase ours by \$5 [million], so we still cut it by \$5 [million].*

The people responsible are the elected people in this Parliament. But we have to accept the responsibility and we have to use the authority that we have under the Constitution and legislation to bring it down here and fix it.

Madam Speaker, the Premier said that we can't rush these decisions. I agree with him. But then he goes on to say the decision has to be made now to cut this expenditure. It can't be made now because it takes time to do it properly. And in many instances it is going to take amendment to legislation to do it. And we have had three years.

I brought a motion to this Parliament, Madam Speaker, in April 2010, to amend the Public Management and Finance Law. And I laid out the areas that I thought needed the amendment. The Government rejected me, told me I didn't need to bring it. They weren't supporting it because they were doing it and they were going to have it done by June 2010! The only amendment they made to the Public Management and Finance Law, if anything, is they increased staff; they didn't cut staff.

We have to make the necessary amendments to the Public Management and Finance Law to recentralise the financial function of government and get control of it; and recentralise the human resources arm of government and get control of it! And that represents, in my humble view, Madam Speaker, savings of several million dollars in annual recurrent expendi-

ture. Probably as high (I would guesstimate) as \$20 million, if not more.

[Inaudible interjection]

Mr. D. Ezzard Miller: *[Replying to interjection]* If you have to get rid of people, you have to get rid of people, Mr. Minister of Health. You must take the responsibility to do what is best for the country, not play politics with these kinds of decisions and worry about votes! We have thousands of people in this country on work permits. Those work permits can be cancelled and they will have to hire the Caymanians if you don't give them the work permits.

[Inaudible interjection]

Mr. D. Ezzard Miller: You can try spinning it however you want, you know. You will have your turn.

Madam Speaker, let me make it clear. If restoring the financial position of this country requires the layoff of some Caymanians, Ezzard Miller will support that! I have in the past, and they themselves will appreciate it because they will have a better country.

If we continue with this runaway expenditure and trying to increase the cost of living by imposing taxation to increase revenue just because we want to create jobs in government for a couple of Caymanians, is wrong. It is wrong!

[Inaudible interjections]

Mr. D. Ezzard Miller: Madam Speaker, the problem with the last three budgets has not been revenue. Revenue has been increased and collected every year that this Government has been in power. They have collected more revenue than they collected the year before; but they have spent more than they spent the year before too!

Madam Speaker, standing in this House and giving nice-sounding political speeches for the hope of winning the next election and not being man enough to accept the responsibility that we must do what is right by our country . . . Madam Speaker, all of my life in all of my English classes I was told that the English language is not gender sensitive.

[Inaudible interjection]

Mr. D. Ezzard Miller: Madam Speaker, here are some of the things that the Government needs to do to restore the financial position of this country. We have to reduce the size—

The Speaker: Please stop the talking across the aisle. I need to hear what the Member is saying.

Mr. D. Ezzard Miller: —of the civil service: 1) by amending the Public Management and Finance Law

and the civil service management legislation to recentralise finances and human resources, so we can get rid of your two CFOs, or four or five, whichever ones you have for accounting staff. We have to sell off the non-performing assets of Government—not sell things like the Water Authority which is making money for Government.

Mr. V. Arden McLean: Turtle Farm, Pedro Castle! Yes.

Mr. D. Ezzard Miller: Madam Speaker, we need to reduce duties on fuel and basic food items to reduce the cost of living and stimulate greater demand. We have seen in the press that the Government intends part of the borrowing is to borrow \$15 million to put solar panels on poor people's houses.

Madam Speaker, when the Government was increasing the duty on diesel—which I voted against—they suggested that that 25 cents was going to bring \$7 million in revenue. So, here is a suggestion: take 50 cents off the duty, we give you the same \$15 million, you don't have to borrow it, you just lose it to revenue. It will reduce the cost of living for every single person in this country. It will reduce the cost of food, it will reduce the cost of electricity, it will reduce the cost of transportation, and it will reduce the cost of business. It will, therefore, give people additional spending money so consumption will go up and Government will at least get a portion of the \$15 million back through fees and duties rather than spending it on solar [panels].

Madam Speaker, again, Government policy should not be driven by the Government's desire to spend money with particular corporations in order to help poor people. I am not an expert in solar systems, but all of the people that I talk to tell me that if the intent is to put a \$15,000 solar system on somebody's house and hope that they don't have to pay any electricity bill, is a wish that is not going to come true.

[Inaudible interjection]

Mr. D. Ezzard Miller: Madam Speaker, One thing that this Government has very successfully done is to murder Mr. Entrepreneur in the Cayman Islands, and the creation of small businesses, by two things: increasing the cost of doing business with government fees, and sending up the cost of money. We can reduce the cost of doing business by reducing the government fees and we can make long term cheap money available by bringing the pension funds back home and depositing the cash in local banks. That will stimulate businesses because they can then get long term money at cheap rates and the economy will grow.

An Hon. Member: Oh yeah.

Mr. D. Ezzard Miller: Madam Speaker, I don't know . . . you know, everybody says the economy of the Cayman Islands is in the doldrums. For the last three years I have heard that. Yet, Government is able to extract more and more in revenue from that same economy every year. You would think they would be getting less.

And what we do now is we give all these big developers all these concessions. I don't believe that there has been a time in history in the Cayman Islands that we have had as much dollar value construction going on as we have right now. The problem is that Government isn't getting any revenue from it because everybody has concessions.

One of the things we need to make sure of is that when we are giving concessions, such as duty deferral, we amend the legislation to say that they must put up collateral. That would have saved us in the case of the Ritz, and we might be able to get our \$6 million—which we are not getting back again. Anybody getting that kind of volume duty deferral should have to put up collateral to get it.

Madam Speaker, we have to develop fiscal discipline. We have to be willing to fund reserve for this country to be used in hard times and we have to make the tough political decisions to do that.

Madam Speaker, I was talking to a friend of mine last week. His name is Alva Suckoo Jr. We spoke about the Premier's announcement on the Labour Force Survey and I asked him to make a few notes on what he spoke to, and the notes were done. One of the things that we have to get a grip on in this country is this supposed unemployed Caymanians in a country that has 60 per cent over-employment.

One of the things we talked about was this whole issue of imported labour and what it does to the economy. He said that unemployment clearly impacts the individual. However, there are much wider concerns that cannot be ignored. Simply put, a high level of unemployment signals that the economy is operating beneath the production possibilities curve and the economy is not producing at full capacity. This is significant, as suggested by Okun's Law because for every 1 per cent increase in unemployment, real GDP decreases 2 per cent. Cayman, however, is a rather unique position in being able to import labour from outside the country with little difficulty mainly because work permit fees are a major contributor to government's revenues.

And the catch 22 situation in that, Madam Speaker, is that the imported labour serves to effectively replace and ignore the local unemployed labour pool. In this case, the 10 per cent overall unemployed Caymanians in the economy can then continue to operate almost full capacity artificially bolstered by the external labour supply the 10 per cent of unemployed Caymanians then become a cost as they have to rely on government-funded social programmes to survive, and as the importation of labour continues to proceed

unchecked, the unemployment rate will continue to increase.

In this situation Government increases revenues from work permits, the increased demands on social welfare caused by unemployment will drive up costs faced by the Government and the net effect may well be that Government revenues are not being effectively channeled into the most appropriate and constructive initiative. This creates a vicious cycle which becomes increasingly difficult to reverse.

Madam Speaker, we are experiencing that in its entirety in Cayman today. We just had released by the [Immigration] Term Limit Review [Committee] that proves that there was no 8,000 or 10,000 people that left the Islands because work permits dropped. We did, in fact, give 3,900 people status and some 4,200 permanent residency. So they are still here employed and working, having jobs that Caymanians can't get. And then, Madam Speaker, the Government chides me about having to lay off Caymanians in the civil service in order to restore the integrity of our finances when they are issuing instructions daily to grant permits to people who are keeping Caymanians from getting jobs.

Madam Speaker, the Premier said that we shouldn't multiply the \$127 million by 6 to get the total expenditure for a year. I hope not! But, you know, the \$127 million for two months is \$63 million and if we get down to his target of \$500 million for the year, we are going to expect to run the country for the next 10 [months] at half that per month (of \$37 million). Madam Speaker, if it costs us \$63 million to run the Government per month for the next two months, granted we may be paying some things up front that will not happen the rest of the year, but I would hazard a guess that it is not going to be possible to run the Government on \$37 million per month after that for the next 10 months. So we can look forward to a supplementary budget unless the budget exceeds the \$500 million that they are projecting to bring here in the next two months.

Madam Speaker, I will also predict that unless they bring legislation to amend the Public Management and Finance Law, unless they change some of their policies and programmes that are costing this country money, it is going to come close to what the civil servants have projected, which the Government has [inaudible] is \$130 million over what they are willing to spend. Madam Speaker, it is not possible to cut that kind of money without cutting out some programmes. And it is a political decision that has to be made as to what programmes are cut. Otherwise, we will be doing the same thing we did this year, next year, and coming for \$50 [million], \$60 [million], or close to that \$100 million in supplementary expenditure.

Madam Speaker, these are troubling times. As people elected to this House we have to be brave enough to make the tough decisions. The answer of

getting the country's finances back on track, in my view, does not lie in increasing revenue which is going to increase the cost of living which is going to increase the suffering of our people. It lies in reducing expenditure.

Madam Speaker, we have to be able to tell some of the people—particularly those who live in exclusive subdivisions—that the Government cannot afford to spend \$115,000 to chip and spray their private roads. Those are the kinds of decisions that we have to make, and we have to be brave enough to make them. Yes, it may cost some of us . . . well, not me, because, Madam Speaker, I have never been one that solicited donations to run political campaigns or accepted donations from people. I can name on one hand the friends who have donated to any political campaign that Ezzard Miller has run and have enough fingers left to hold a cigar!

So, Madam Speaker, I don't have to worry about upsetting them because when the business people in North Side tell people they are not going to give Ezzard Miller any money for a campaign, that doesn't bother me, because I don't ask them for any! Never have, never will!

There is no free lunch, Madam Speaker. Nobody . . . and one of the things we had better address in this country is campaign financing. And broaden it beyond nomination day to election day, because when people offer you \$10[,000] \$15[,000] \$20[,000] \$50[,000] \$100,000 donation towards a campaign, they are going to come back and expect something. And they are going to have to get it!

Madam Speaker, I have never spent a lot of money on a campaign in my life. I enjoy sitting down in people's living rooms in North Side, eating their cassava cake and yam cake and drinking their lemonade and talking politics with them, begging them to vote for me. I don't spend it on any big television programmes and all that kind of stuff. So, I am not going to be worrying about their donations to me to be able to come back and get their private roads done.

Do you know something, Madam Speaker? When I was elected to this House in 1984 I was not elected as a poor man. I didn't come here looking for a job. And the people sent me home in 1992. I went home and rocked in my hammock. Come May next year, the people in North Side don't want me, vote for somebody else. I will go home, spend my time with my four-year-old daughter and enjoy it. There won't be any crocodile tears shed by Ezzard Miller. So, I can afford to say what I believe is right and what needs to be said.

Madam Speaker, as I said at the beginning, this is a sad day for this country when we have to come here to get an interim two-month budget because we cannot make the tough decisions that need to be made to restore the finances of this country. And blaming the past Government, blaming me, blaming the FCO, blaming the civil service ain't going to help!

So, Madam Speaker, we need to accept the responsibility to do what we have to do. Unfortunately, I am in a position where I can't vote . . . I refuse to vote against this interim budget, because I don't want the country to shut down midnight on [30th] June; but, Madam Speaker, I am not going to vote for it.

Thank you, Madam Speaker.

The Speaker: Thank you, Member for North Side.

Does any other Member wish to speak?
[pause]

Honourable Minister of Education.

Hon. Rolston M. Anglin, Minister of Education, Training and Employment: Thank you, Madam Speaker.

Madam Speaker, the Government agrees with one point the Elected Member for North Side just made. And that is that this is indeed a move that none of us cherish, and certainly a day that none of us are jumping up and down, doing cartwheels and rejoicing over. We certainly believe that until we have a proper full year budget that we not have the normal ceremonial circumstances and we not have the pomp (as they call it), the pomp and circumstance, something like that they call it.

This interim budget, Madam Speaker, is indeed something that this Government takes very serious in having to do. We are committed, though, to ensuring that we do bring the full budget to this House as soon as humanly possible. Obviously, with this interim budget only being two months that means it has to happen very soon.

Madam Speaker, when we look at where the country is we clearly understand that there are indeed no quick fixes or easy answers. If that were the case, like anybody else, we would have jumped all over it. However, the decisions that will get us back on the path to fiscal sustainability that would result in being able to meet all statutory obligations and, after that, be able to put aside a reasonable amount of money in our general reserve fund is one that we need to work towards, but one that is going to require continued sacrifice on the part of the country and, indeed, Mr. Speaker, some very tough decisions to be made.

[Hon. Cline A. Glidden, Jr. in the Chair]

Hon. Rolston M. Anglin: Now, I certainly know, and I think that all Members of this House know, that the very simplistic analysis of saying, *Yes, all we need to do, on personnel, for example, is to make the tough decision. If it's about \$10 million to \$20 million worth of personnel emoluments that needs to be gotten rid of, we simply get rid of those people, Caymanian and otherwise* (and let's concentrate on just the Caymanians for right now); *and that we have this wonderful economy that is going to be so accepting that all the Government then needs to do is use its iron fist*

through the Immigration Department. And that we can then throw down the hammer and the gauntlet and all those people are going to just so seamlessly get integrated into the private sector and we simply reduce work permits ("cancel" I think was the word used), *cancel work permits, and that is going to be the solution.*

This whole very superficial and politically skewed analysis that the Member for North Side has pounded the airwaves in this House with for three-plus years now, of, *Oh well, Government is not willing to do anything unemployment, not willing to do anything about the civil service because they are dependent on work permit fees.* That is the very high-level conclusion that he comes to and continues to proffer. What he does not tell the country is what the makeup of our work permit force is. We still have the single biggest area in terms of numbers of work permits in domestic helpers. [It is] still the single biggest number. I don't know how many of those permits are going to get canceled to fill the jobs.

Then, the next biggest area is in the unskilled areas of the economy. I would agree with him, and I think the Government would agree that there would be some real opportunities in that sector to be able to have some retrenchment of Caymanians. Now, in the unskilled area, the biggest sectors are security companies and lawn and gardening companies. Then, of course, we also have the whole hospitality area of the services.

When he speaks so loudly about the financial management system and the human resource management system, those, Madam Speaker, in terms of Caymanians, would be the area easier to place because, typically, those persons would either have a college degree, some form of professional qualification, or are certainly experienced, and would have a resume that is sellable. And certainly, when we look at our service based economy, there would be opportunities to be able to place that particular sector of Caymanians.

However, I don't know where the data exists that would tell us that just attacking those two elements, those two aspects, is going to fix government expenditure or unemployment. I believe that if the Member and his advisor on unemployment took more time to truly understand what is happening in our economy and the needs in our economy versus comparing it to economic theorem, they might be able to see that whilst those high level and theoretical analyses are pretty and sound good, score political points on talk shows, score political points in the House of Assembly, and eventually will score political points on the campaign trail via public meetings and blogs, they really are not what is driving our real issues around unemployment, nor will they solve the real issues we have as it relates to the cost to operate government.

Along with my colleagues in Cabinet, and all of our caucus, I am acutely aware of the fact that like

any other country this country needs to have the stability and predictability that it has enjoyed for many decades to ensure that we continue to build a Cayman that is more and more sustainable and one that can deliver on the promise that we continue to make to future generations, which is a better Cayman for them. It was in that vein that as Government, when we looked at where we were budgetary-wise, as the Premier outlined in his opening to this Motion, we took a decision to go to the FCO with what we believed was a position that could cause us on the operating side of Government to craft a budget while negotiating the overall picture that would be our way forward and have that all encapsulated in the three-year plan.

We believed then, and we believe now, that that was the most appropriate way forward and that would have given us the type of predictability that this country has enjoyed for decades. That was not to be, and we are where we are with an interim budget. What I can say is that we are going to bear down and continue to do the hard work to ensure that we do bring forward in very short order, our full fiscal year budget. But we will also ensure that we defend the very important programmes that this country needs to deliver to its people. We are going to continue to ensure that the FCO, the Governor, and all, clearly understand that we do not have an economy, or a budget system that is built like theirs. We do not have, for example, unemployment tax in this country. We do not have the social safety nets that others enjoy so that if a person happens to be temporarily unemployed they and their families can be taken care of.

We know how we have had to fund that over the years in this country. And I know that every Member of this House knows that when it comes to rental assistance, temporary financial assistance, and the like, that we must continue to provide those critical services to our people. We also know that given the way the key pillars of our economy have developed over the years it takes Government to invest in a regulatory and compliance regime in all sectors to ensure that we have a vibrant economy.

We know that Government has to spend millions and millions of dollars in PR, in representing ourselves internationally, whether that be for inward development opportunities, financial services, tourism opportunities, we know that we must be at the table and there is a cost attached to making the money that Government needs to operate.

I hear the comment being made that, *Oh, we don't have a revenue problem; we only have an expenditure problem.* Well, in case people in this country or this House have forgotten, we are going to have that debate re-opened over the next two weeks or so with the Foreign and Commonwealth Office, because they continue to make the point that predictability and sustainability of revenue is their primary concern. Put bluntly, they believe that Government should fund its revenue primarily by people being productive in the

economy; that is, through some form of tax on people and some other form of tax on businesses and property. That is ultimately what they look at.

They look at our revenue streams, but if a minor thing happens all of this revenue can dry up over night. So, I don't think it is accurate to stand in this House and say, that, because we have worked hard and we have been as creative as we could possibly be to get Government revenue to the levels it is, that the work is done. I am happy, though, that the Member for North Side did concede that this Government has indeed, even in an economy that is not ideal, managed to raise the levels of government revenue. It is funny, though; his tag-team partner criticises us for that, the Honourable Leader of the Opposition. He says that we should not have raised fees. I wonder where we would have been if we had not raised fees to ensure that we got this all-important revenue.

Where would the country have been, if we had not brought the revenue measures that are critically important for government to run and for government to operate?

The fact of the matter is that even if we start conceding some of the types of numbers that they are talking about, those numbers are going to be used for past service liability and being able to fund some level of general reserve savings. We are still not going to be able to take off these fees. If you listen to this jigsaw puzzle that they managed to put together, on the one hand they are saying, *Do what you have to do, Government; make those tough decisions. If you need to cut people, cut people! If you need to cut salaries, cut salaries! Do whatever you need to do. Don't make the politically easy choice; make the politically difficult decision. That's what we would do.* That is what they say.

At the same time they then say, *Yes, but you need to take some of these fees off.* Then they turn around and say, *Oh, by the way, you need to fund past service liability to the tune of tens of millions of dollars.* Then they also turn around and say, *Oh, by the way, Government, remember that we haven't been able to save in this country (as Government) the way we need to in order to create the reserves that we know we need in the event of an all-important rainy day.*

So, you take all that, and I say that the very schizophrenic proposition that the Opposition has come with is certainly not going to put this country on any path to fiscal sustainability. I must say that it is quite something else. It is something to behold, really, to listen to the now Leader of the Opposition speak on Government finances. It is really something to behold. I must say the last few times he has gotten up to speak in this House I have just sat in utter and complete awe.

What the Honourable Leader of the Opposition wants this country to believe is that somehow in three short years we could erase the irreparable dam-

age done when they were the Government. Let's just look at the cold, hard numbers. He said, *Oh, we did this and we did that; we delivered this, we delivered that*—when the fact of the matter is that they really didn't deliver anything. We inherited an incomplete Government Admin Building. We inherited an MRCU hangar that was incomplete. We inherited two schools that were incomplete. According to him, they delivered all of these projects and—*Country, we should really be patted on the back because long term, really, we have done this miraculous job that is worthy of commendation.*

Well, let's look at the cold, hard facts. On 10 July 2005, very shortly after they took office (in May 2005) there were 3,224 people employed in the civil service. When they demitted office, core government (not going into all the other agencies and authorities and government-owned entities), there were 3,756 civil servants. It peaked in June of 2008, it was at 3,900! Now, since June of 2009, to December 2011, we have managed to get that from 3,756 to 3,575. Cold, hard facts!

[Hon. Mary J. Lawrence, Speaker, in the Chair]

Hon. Rolston M. Anglin: What the Honourable Leader of the Opposition also happened to exclude from his very fair and transparent, high level analysis that he just treated us to, was the fact that at the end of fiscal 2005/6. Sorry, Madam Speaker, let me say that again.

What the Honourable Leader of the Opposition failed to include in his analysis was that in June 2005 when they took office, this country had \$155,929,000 of core government borrowing—One hundred and fifty-five, nine hundred and twenty-nine thousand (\$155,929,000)! When they demitted office, central government debt stood at an astounding \$416,482,000.

What he also failed to tell the country was that . . . not that that picture wasn't bad enough, that the increase of central government debt from \$156 million to \$416 [million], but that all those projects that he said, all these tangible results that they delivered, were all incomplete! So this Government was left with the unenviable task of then having to pick up the pieces of this financial mess and continue borrowing to finish the projects.

In 2009 we certainly took the decision that we were not going to abandon the Government Administration [Building] project, and we took the decision that we were not going to abandon the high school projects. Just for the high schools alone, since he demitted office we have had to spend \$36 million on the John Gray Campus, and it's a long way off from completion. We announced in 2010 that that was going to be on a phased completion basis. And we have had to spend another \$62 million on the Clifton Hunter campus, which we look to have completed (God willing)

this September for our students to take up residency in. That's \$98 million just on the schools. How much was the Admin Building since the elections?

Since the elections, we also had several million dollars to complete the Admin Building that he bragged about. It's funny, these brags that he made. So, let's take a quick pause. The country went from having central government debt at \$156 million, they undertook this massive capital programme that didn't deliver one single school, didn't deliver the Admin Building, and borrowings stood at \$416 [million]. We then had to pick up the pieces to continue these projects and borrowing has continued.

Borrowing now stands at \$625 million, the vast majority of which has gone to continue funding these projects that the Leader of the Opposition has the audacity to get up in this House and brag about, saying that's what they delivered. So, they delivered a half-baked loaf—

The Premier, Hon. W. McKeever Bush: Spent the money but they didn't deliver anything.

Hon. Rolston M. Anglin: —then they racked up government central debt borrowing, didn't listen to anything that we had to say when we were in the Opposition in regard to how they should be constraining expenditure, and wind up with a record deficit for the country.

Now, the Honourable Leader of the Opposition also decided that he was going to be real mischievous and tell the country that we may never see the true results of the 2009 year. When, in fact, the Public Management and Finance (Amendment) Law 2011, on page 5 clearly states that the 2008/9 and onwards, the audited annual schedule of appropriations is what would be used. We also said, in section 7, on page 5, again of that amendment Law, that for the financial years 2008/9 and onwards that they must include the audited financial statements.

We only relieved this country the pain of having to go through audits for 2004/5, 2005/6 and 2007/8, because we said they would be aged and the information would be utterly useless. Why go through the expense of auditing those years? We purposely included 2008/9. There were arguments made that that information could be aged as well, but we purposely included 2008/9 in this for this very reason, because we knew they would get up and start talking about, *Oh well, it's unaudited; if the auditors don't look at it then it cannot be the right number.* So, I am happy to correct the misinformation that the Leader of the Opposition provided to this House, and restate the position of the Government through the Public Management and Finance (Amendment) Law 2011, that 2008/9 will be audited.

What we need though, as Government (and this is one that I am making a note of), is to write to the Chairman of the Public Accounts Committee and

all the members so that they can get the Auditor General to conduct what should be his primary responsibility, which is the audit of the financial statements of Government. We are going to ensure that we engage so that we can get this audit completed. I don't know what's holding it up. I don't know if there are any issues. I haven't heard of anything. So let's get this audited so that the Leader of the Opposition and the Elected Member for East End can get their audited accounts.

Mr. V. Arden McLean: Why are you getting me involved in this one now?

Hon. Rolston M. Anglin: Because I know the two of them have always spoken strenuously in saying they don't know how this could be \$81 million.

Mr. V. Arden McLean: I hope *unna* know that no one [inaudible]

Hon. Rolston M. Anglin: So, ultimately—

Mr. V. Arden McLean: Hope *unna* know that!

Hon. Rolston M. Anglin: We will try to ensure that we get this year audited, because it needs to be audited. It needs to be put to rest. We need to put this issue to rest.

So, Madam Speaker, let's recap.

The Premier, Hon. W. McKeever Bush: Money wasted.

Hon. Rolston M. Anglin: This Government takes over. We find the state of public finances in shambles. We find a civil service that has grown tremendously. We find central government debt has spiraled. We find the three largest projects in the history of the country incomplete. We find the Beulah Smith High School abandoned. We find the George Town Primary School project abandoned. Okay? So, that's what we find.

I must say, certainly, we ourselves as Government, if there is anything that we have been, it is a little too ambitious in trying to get the turnaround done. We may have pushed harder than some might like, and some might criticise and say, *Look . . .* and that is something that we have talked about and said clearly, that in any new three-year plan it is going to be about putting the country back on the path to fiscal sustainability, but in a way that is not going to damage this country or compromise the delivery of services to our people. That is what we are elected to do; that is the mandate of Government.

So I can't wait, actually, for the good gentleman from the FCO to come to Cayman, because ultimately, we need to ensure that we put the budget to bed and can bring it to this Legislative Assembly for passage.

Madam Speaker, I then had to look back and ask: *Could it be that the Honourable Leader of the Opposition in his analysis on containing expenses has any level of credibility to stand in this House and speak on?* So I got the data on that too. In [the fiscal year] 2005/6 operating expenses, \$372 million. In 2006/7 year, \$437 million. In the 2007/8 year, \$487 million. By the time they demitted office, a whopping \$526 million of operating expenses! Yet he has the audacity to come down here and talk about \$60 million in past service liability, as if that is some forgiveness tool that they can use to try to get sympathy from the civil service and the public to forgive this type of mismanagement?

So let's paint this picture now: \$372 million expenses. We then go to \$437 million; we then go to \$487 million by 2008; and by 2009 we are up to a whopping \$526 million. Since we have taken office: 2010, \$484 million; 2011, \$479 million.

So, Madam Speaker, now, let's now use the one little red herring that the Honourable Leader of the Opposition has hitched his wagon to. He has hitched his wagon on the whole past service liability in some way trying to use that as a justification. I have been reliably informed that the standard amount put in was \$15 million. Now, contrary to what he said, that we haven't put in a single cent (that's what he said)—again purposely misleading the House and the public, but par for the course for the Leader of the Opposition—we've put in \$2 million each year. Now, let's take his \$15 [million] and minus the \$2 [million]. We admit we put in \$13 million less.

Even if you add \$13 million to our \$484 million of expenses in 2009/10, that still only brings us up to \$497 million; still a far cry from their \$526 million. The same analysis can be done with subsequent years.

Madam Speaker, let's make sure that in this debate, and in a debate on the state of public finances and how we are going to go about solving this issue and getting us back on a path of fiscal sustainability, that we understand all of the critical component parts that go into this, because, he likes to pull out the red herrings, throw those out for people to digest without appreciating the entire picture.

Now, if that debt spiral wasn't bad enough, let us then consider what it has cost us in financing expenses. In 2005/6 the country had to pay \$9 million in financing expenses. In 2006/7, the extent of their borrowing hadn't really started to kick in, \$9 million again. In 2007/8, it was \$11 million. In 2008/9, it was \$15 million. By 2009/10 when we had to borrow in our initial year to fund their massive deficit and to continue the contracts that we inherited under the high school projects and the Government Admin Building, that we had a legal obligation to do (and to do otherwise could have caused other issues for Government), debt financing was \$26 million. In 2011, it was \$30 million. In 2011/12 (this current year we are operating in), \$33 million.

So, not only did they have all of these projects that he bragged about that were incomplete and ill-conceived, they also racked up record amounts of debt, and caused us to have to continue to incur those amounts of debt to the tune that the country is now paying \$33 million in finance expenses alone. Yet, they have the audacity to come down here and talk about they have all these quick fix solutions. They sound like the Three Musketeers. They can go out with that little sharp-pointed sword and give it two swipes, make all the cuts, and you will be on with your business. Some pain, yes; but you can get on with it.

Madam Speaker, it is sobering to think that this country has to come up with \$33 million even if CIG [Cayman Islands Government] laid-off every single civil servant. We could shut down the Government and just on central government debt alone, \$33 million is what we would have to find in finance costs for finance expense for our debt. Of course, that doesn't include the principal that we repay every year. So that's not the total amount that we would have to find in dollars to pay our creditors; that's just the financing expense. Yet, the Leader of the Opposition has the audacity to come down here and try to behave and pretend that this type of mess that was created that it would have been reasonable and rational to believe that we, that any government, could fix this in three years? This?

Madam Speaker, what they have created is a multi-generational problem! This is a multi-generational problem that is going to be felt by our children and our grandchildren. When we said, *Look, the economy that you are building on is a false economy, you can't use \$3 billion worth of damage in Hurricane Ivan and all of that rebuild as a sustainable position*. So, sure they could come in the wake of Hurricane Ivan and produce surplus budgets. My good grief! My youngest daughter is four years old. She could have run the Government and produced a surplus in the wake of Hurricane Ivan! Easily! Who couldn't when you had that amount of insurance money being pumped in this country and into this economy?

Of course, you were going to create and have surpluses! But the Leader of the Opposition fundamentally does not understand finances. He is absolutely clueless when it comes to finances and he is still clueless about what he did! I really thought in the last few months as I started to hear him speak, that he was getting it. But today proved to me that he didn't get it, and he still doesn't get it. He still doesn't understand.

Now, get this one: Just in 2005/6 alone, extraordinary item that contributed to the surplus that he brags about, \$14 million is what was being spent at that time for some of the items that had to be incurred. What he conveniently has forgotten is that certainly Government also collected some insurance monies so he bragged about all these damaged buildings that

were fixed, but said nothing about how all of that got financed. I must say that I don't know how he managed to get the words out of his mouth, that in the six months after Ivan that this Government had done little. Madam Speaker, that really, really strikes to the core of the forte of the Honourable Leader of the Opposition and his colleagues, which is to be untruthful.

We had cruise ships sailing back into this country. We had power back up across Grand Cayman. Banks in the financial services industry were back, up and running before the general elections. We had cruise ships back in; I think it was in November after. In fact, one of his former colleagues, a former elected Member for Bodden Town, actually got up and criticised the Government saying we shouldn't have gotten the cruise ships back in so soon, when, in fact, the Government looked at it and said, *Hold on. We know that we are not going to be able to fund all that needs to be done in this country and get everything cleaned up properly unless we get the economy moving*. We needed to get the economy moving so that the Government could make some money for all of the grants being issued to people to repair their homes.

The National Recovery Fund was established under us. Millions of dollars were dispensed to people. So, really, to come down to this Legislative Assembly hoping that people's memories would be a little less than perfect and trying to say to this House, knowing full well that all that we say is carried publicly and potentially by the news media, and to purposely and willfully try to recreate history with the untruths that this Government hadn't done, or that little had been done after Ivan by this Government is complete nonsense; complete and utter nonsense.

Madam Speaker, the Leader of the Opposition and the Elected Member for North Side spoke at length about Government expenditure. The Elected Member for North Side spoke at length to the impact that the Public Management and Finance Law (PMFL) and the Public Service Management Law (PSML) have had on this country. Madam Speaker, we started on the journey of PMFL formally in 2001. I sat on an ad hoc group that had been put together, had all sorts of advisors and people on it that I, as a newly Elected Member, thought would have been able to guide the process. And we wound up adopting a system—one that, being rather close to the situation now as a Minister, I can see is a rather cumbersome system. But you don't just change accounting systems at the flip of a switch. You don't just undo what has been done by flicking a switch. You don't just say, *Oh, we're going centralise the financial management of Government; we're just going to send home throngs of people and save the money, or send them out to the private sector*.

Any move to another system is one that has to be carefully managed. You have to have a proper project and a proper project plan and you have to move forward. I think all who have been involved with

government over the last few years would agree that we do need to wholeheartedly start the reform process in the financial management of government and in accounting management of government, and in human resource management. We all agree with that.

But, really, for the Leader of the Opposition to have conveniently forgotten that it was during these times of plenty (that he said) that this country went down the road of the Public Service Management Law, and complete decentralisation of the HR function. We all had seen, by then, the challenges that the PMFL had brought. We had seen the costs that the PMFL had brought. Yet they were in the driver's seat and the architects that brought the PMSL to this House for passage into law.

On Wednesday, 9 November 2005, in my contribution to the PSML, I did a fairly detailed critique of the Bill. I then ended off by trying to give some wider context. And in speaking of the Public Management and Finance Law I told the House at the time that in my estimation, just in professional accountants and other staff, that we were spending somewhere in the region of \$1.5 million to \$1.75 million just directly out of the enactment of the PMFL. I then went on to say (referring to the PSML), ²**"I have not yet heard what this piece of legislation will cost, and we have to bear that in mind. With everything you have to do a cost-benefit analysis. At the end of the day, does the benefit outweigh the cost? If this system is allowed (and in some instances forced) to operate the way it needs to, if people are serious about performance—poor performance especially—and ensuring that the size of the civil service is at the levels it truly needs to be, then, yes, I believe many of those upfront costs will be offset down the line.**

I then went on to say, **"How many human resource professionals are now going to be employed by the Cayman Islands Government because of this legislation?**

I went on to say, **"I have a great concern for where we are going to be in 5-10 years. I know I share that concern with all Members of this House."**

I then went on to say, **". . . something that I have not heard about yet (and in almost every debate I bring it up), is what risks have been identified that this piece of legislation will fail to meet the outcomes that people believe it will achieve. More importantly, how is it that we are going to manage those risks?**

Madam Speaker, The Leader of the Opposition, the former Minister of Education, said it came to him when he was Minister of Education, and from what he said today, it was apparently the great impetus that drove up the cost of the high schools by what he says is 25 per cent. It was the same Member that

was part of the PMFL Task Force. His Deputy Chief Secretary at the time was also intricately involved in the development of the PSML. Those are some very costly pieces of advice.

If the cost of the schools go from delivering education to (according to the Leader of the Opposition, now) delivering everything imaginable to the community—these are going to be the facility of facilities; we can get rid of a slew of government facilities because this is going to be everything we need. According to him, 25 per cent impact, all in the schools with the construction and soft costs are going to be somewhere in the region of \$100 million each. Twenty-five per cent of \$100 million is \$25 million.

Let's say for the sake of argument that the Leader of the Opposition was referring to the construction costs only. Well, the construction costs, according to the contracts that were signed when he was minister, for construction only the schools were going to be \$120 million. Twenty-five per cent of \$120 million is some serious money.

The Leader of the Opposition is going to stand in this House and tell the House that because someone comes to him and says, *Well, you know, we've just been through Ivan and perhaps we need to now rebuild a lot of hurricane shelters*, that you are going to go down the line to those tens of millions of dollars and not look at some other and more creative way to deliver these services to the community?

We have church after church in this country that has youth groups and many other important functions on their compounds. I can remember in Hurricane Gilbert in 1988. Dozens and dozens of West Bayers were at the Wesleyan Holiness Church hall. There has been a longstanding tradition that we could partner with other agencies and be able to deliver some of these services.

I would have to say that based on the submission today by the Honourable Leader of the Opposition that that was a very, very costly endeavour to have gone into; and I dare say gone into without any real business case, without any proper analytics, but gone into, why? Simply because they were living in the land of plenty at the time in the wake of Hurricane Ivan rebuild and they just said, *You know what? The country can afford it. People will understand. We are doing this for the people—instead of taking that big step back and saying: If we need these resources; if we need these additional facilities, does central government have to fund the whole thing? Couldn't we partner with churches? And maybe if we had churches that were damaged, could we simply partner with a church and do what we are doing now under the leadership of the Premier to co-fund with a church congregation to get the type of resource facilities that can be used for many good purposes in normal times, but also be available for times of emergency, such as hurricane and the like?*

² [2005/6 Official Hansard Report](#), page 492

So, this Anancy story that he has come down with today . . . because every time he comes down to this Assembly, and any time finances are involved, he tries to paint some other angle on the blunder that he oversaw in regard to the development of the high schools. Every time he comes!

And the truth is—

[Inaudible interjection]

Hon. Rolston M. Anglin: *[replying to interjection]* Well, they should. He caused them to lose the election. And, quite frankly, has put a real stranglehold around public finances in this country. And, quite honestly, has really no credibility to stand and speak on public finances in this House or any forum, any forum whatsoever.

Madam Speaker, the Government is indeed very much aware of the necessity for us to not only deliver this 20[12]/13 budget, but also to ensure that we create and enter into another very important agreement with the FCO which will be a new three-year plan. This is something that is desperately, desperately needed if we are going to get back on the path to sustainability.

Now, Madam Speaker, the Leader of the Opposition got up and played the usual political football with this whole thing of this 50 cents per gallon (I think it is) on fuel. It is easy to go to the public and say, *Well, if the Government did this and the Government did that, then X million dollars is what Government will be giving up in revenue. So, if Government does that it's going to greatly help all of you, the people of this country.*

Madam Speaker, I am looking at a CUC light bill. On a bill that is around \$250 what they have described as the "Government fuel duty" is \$30. When we look at what the real impact that moving and playing around with this duty has on the people who are most vulnerable in our community, we should be truthful and get up and admit to the public that in reality we ought to be looking at how this country can become less dependent on fossil fuel and be really going down the road of becoming greener.

We ought to be engaging with our public and advocating for renewable energy. We ought to be looking beyond the next elections, and looking beyond friends and shareholders and shareholdings in our local company, which will continue to do just fine. They just also have to reinvest themselves. They need to decide how they are going (both power companies) to get with the programme of renewable energy. They need to respond to the international crisis.

We are just a small little speck, so we always just want to say, *You know what? The bigger countries, like the United States of America, et cetera, they burn lots of fuel so let us just continue doing it. That's the easy way out of this problem.* There is much to be

gained from renewable energy. There is much to be gained by this country by using solar power.

I remember as a boy, my friends and I used to have this game we used to play. We used to go down to one of my very best friends' house and play a game of dare. And the dare was to jump off the roof and see who could get the furthest. I will never forget going up and seeing what looked to me like a huge piece of glass—it was the 1980s; thirty years ago—and finding out that that was a solar panel that was being used for the gentleman's water heater from then.

We know that anything that generates heat, your irons, your stoves, your refrigerators, your dryers, your water heaters, air-conditioning, those are the main drivers of energy consumption. So, the fact of the matter is that nationally in Cayman we have simply been irresponsible as citizens of planet earth, and taken the easy road of simply saying, *Fossil fuel, fossil fuel, fossil fuel; bring in the generators, bring in this, bring in that, let's just burn it, burn it, burn it; that's the easy way to create electricity.*

We need to embrace where the rest of the world is going. We need to embrace what is going to be sustainable for our children and our grandchildren on this planet. We pay no heed to global warming and what scientists are telling us. We pay no heed to the fact that we have an impending global disaster that this little country ought to play its part in averting, especially given the fact that Grand Cayman is so flat.

We also know that if we were responsible members of planet earth, look at all of the other benefits that would come to our local population. Talk about the real way in which we can bring down electricity bills, which is by coming up with cheap alternative sources of energy. That is going to be the only way to do it. We can play games at the fringes all we want. We can go with this insulation, that insulation, radiant barrier foam in your house, turning off A/C putting in split systems, putting it on timer, opening windows every once in awhile, turning off or putting water heaters on timers, we can do all those things. The bottom line is that fossil fuel is going to be unpredictable in price and one thing we know will continue to happen over time is that it is going to go up in cost because it is a finite commodity, plain and simple. There is no future in fossil fuel.

I take a very long-term view of history and we must look well beyond ourselves and our children before us and think about their children and their children's children and what we can do today that will truly have a positive impact on their lives.

So, the Leader of the Opposition can side-swipe and make all the derogatory comments about the Government's proposal for solar panels all he wants. The bottom line is that once we can put in place a programme which will meet all of our systems of accountability and one that will meet international best practice, we know that that is a good programme for this country and we ought to stop playing politics

every step of the way and simply do and say things because it is not happening under our watch, and because we believe that someone else may get some credit, political or otherwise. So if that is the case, then let's try to derail it. Let's try to make sure that we shoot it down because we don't want them to get any bit ahead of us.

We continue to be the Barker's crabs in a barrel.

Madam Speaker, tackling public finances has been just the tip of the iceberg of what this Government has had to battle and put up with over these past three years. I use my Ministry as one small example. My Chief Officer and I have had to spend more time on these high school projects than any other single item in our Ministry. Despite that, we still managed to implement a full and new model of governance for the education system; one that the Leader of the Opposition knows was left in shambles. Schools—

Moment of interruption—4.30 pm

The Speaker: Excuse me, Honourable Minister of Education, we've reached the hour of 4.30.

Honourable Premier.

Suspension of Standing Order 10(2)

The Premier, Hon. W. McKeever Bush: Madam Speaker, we would like to suspend Standing Orders to allow us to continue business. So I would move that we suspend Standing Order 10(2) to allow us to continue after 4.30 pm.

The Speaker: The question is that Standing Order 10(2) be suspended to allow the House to continue its business after the hour of 4.30 pm.

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

Ayes.

The Speaker: The Ayes have it.

Agreed: Standing Order 10(2) suspended.

The Speaker: Honourable Minister of Education, please continue.

Hon. Rolston M. Anglin: Thank you, Madam Speaker.

Notwithstanding the time that I have had to put in along with the Honourable Minister of Finance and Premier, and all my colleagues on the Government bench in dealing with public finances, we have also managed to continue the implementation of our education stabilisation plan. We are probably 95 per cent the way there with a new first-time-ever national strategic plan for education, a five-year plan. We have

rolled out the new curriculum framework for early years.

With the Office of the Premier and the Ministry of Health, we have developed an autism diagnostic and support programme for children in mainstream schools, something that wasn't happening and was going undetected.

We have worked hard on the completion of the Clifton Hunter High School. We have already opened one and we are almost finished with another three critically needed upgrades at primary school education level. We introduced the best model for intervention for at-risk students, which is a collaborative effort with many other ministries and agencies and one that the country had called for many years, and one that the National Security Council has endorsed as one of its key crime-fighting strategies.

We have already had wholesale reform to what was a system that was doomed to failure, the alternative education system—which he did nothing about for four years and just left there. We have built a proper career counseling service. We went from having one person available to our high school students to a team of three for our high school students. We have enhanced our leadership through our Principals' Consultative Council.

Last year we delivered on a large cry that this country has had for many years, and we will again this year, with summer schools where we focus on Year 2 students who are performing below level in literacy. And that is something that we want to expand as we can find more resources, because we want to target not only Year 2, but also to target through all year levels in literacy and numeracy in summer school programmes.

Madam Speaker, we are about to launch "Teach Cayman" which will be a high quality programme for teacher education and leadership in this country.

Madam Speaker, under the leadership of the Leader of the Opposition I inherited a programme at UCCI which he and Syed concocted, that his own Department of Education wasn't hiring Caymanians out of.

[Inaudible interjection]

Hon. Rolston M. Anglin: And even up until this day we have to stop that programme—one that looked nothing that looked like teacher education and, certainly, was not setting Caymanians up for success. But we will be rolling out one in collaboration with UCCI and the University of Sunderland in the United Kingdom; one that is fully endorsed by the Department of Education so that when people go through it they will get their licence to teach in the Cayman Islands.

We have ensured that we delivered on technical and vocational education and training for the first

time in the country's history in compulsory education at the Further Education Centre. And we have already started the move from what will have been the former George Hicks to get them over to the now John Gray site, we are going to be able to truly develop that into a technical and vocational school for this country. We need to do that.

Yes, I know we are going to need some of that space for the new school, but we cannot continue to compromise in that area. We will continue the focus that I have had and the Government has completely supported our Ministry in, in providing high quality apprenticeship programmes like we have at Superior Auto. That is an area that I know we need to expand upon and with the soon-to-be delivered National Workforce Development Agency, which is the second arm of the former DER [Department of Employment Relations], it is going to be really focused on getting high quality training and apprenticeship opportunities for Caymanians. That is how we are going to build a new and improved labour force—up-skilling Caymanians so that Caymanians can be taking up the positions in the skilled areas in this country.

What a travesty it is in construction alone, how we've gone from a country that had a rich and proud heritage of skilled artisans and tradesmen and you go out there now and other than those very older ones you can't find any in those fields anymore, except for the Sister Islands, I'm told.

Madam Speaker, PassPort2Success has proven what we as a Government said to the country two and a half years ago, that if we take people and we put them in small cohorts and we use the right approach to work-readiness, that you can get the best out of our Caymanians. We have a programme that every cohort brags of in excess of 50 per cent of its participants either winding up in full time employment or education. But we have to admit that as a society we have failed for a number of years to instill the work-readiness skills and attributes that our economy has needed, and our people have suffered because of it.

If we want to be real, the Member for North Side talks about he had someone do some analysis. What they better do is get that list from DER and start going through that, person by person, not making broad sweeping comments, and clearly understanding and looking at resumes and seeing the difficulties that people have out there to cope. And it is Government's job to provide the programmes that allow people to cope and make it in this new world, this global village that we live in. And Caymanians have proven it time and time again.

Madam Speaker, what I can say is that as I look across all of our Ministries, and look at the work that is continuing to be done, the youth development, the sports development, the work being done to try and deal with waste management, this Government . . . if you start putting together all that we have had to

tackle in three years, anyone that is going to be fair about their analysis would have to say that the Government has made some real strides. There are some areas that we are certainly at the cusp of being able to deliver to the public, new programmes that are going to be hugely beneficial to the benefit of this country.

And, Madam Speaker, I thank my colleague (how could I forget?). We announced several weeks ago that Cabinet approved a paper. And, contrary to what the . . . you know, sometimes I really have to breathe deep. Can you imagine the Elected Member for North Side getting on national radio and accusing me, basically, of what I would call legislative fraud and blackmail? He said that I came out and announced it to basically box my Government in so that they couldn't say no. I took a paper to Cabinet. Okay? And invited everyone to the press conference and went public to announce this. Full support!

Madam Speaker, in case he doesn't understand, you can't announce reception in September and start in September. You have to recruit teachers and get them here. You have to give parents an opportunity to get registered. Not only that, this Government took the decision—a decision this country has been waiting on for years—to raise the starting age of school in Cayman. We run a British curriculum, yet we expect to start our children at 4 years 9 months. And with all the exceptions that I have seen slip through the cracks, people being allowed to register children at 4 years, 6 months—babies in school, expected to handle that curriculum.

The truth is, Madam Speaker, if you look at Finland, look at some of the most high-performing school systems. They start their children at 6 years old in formal education. And I said that day at the press conference, that that ought to be the dream and wish of every Member of this Assembly and our community, because if we start our children at that age, which is an appropriate age for formal education, when they are truly ready to learn, if they have had a good reception programme and good early years' programming built on the national curriculum, that is when we are going to truly have our children prepared.

What the former Minister did was spend millions of dollars at high school interventions. That is too late. When we have set our children up to fail so early how can we expect to then fix these problems when they are having to try and cope with and tackle external examinations which are rigorous? It cannot work.

Not only that, Madam Speaker, when we get there, the 12 years of compulsory education our children will then be leaving school at an age which we all agree, which is 18. We can't play games and be blind, Madam Speaker, and continue to have our children start school too early and then just say let's add years onto high school. First of all, adding years on . . . once you add anything beyond 12 years, that is basically

one-twelfth of my budget that needs to go up. Plain and simple!

And we have a large budget in Government. It is not adding years at the end that is the solution; it is at the beginning and making that investment. It is making sure that we go to our public with solutions. It is making sure that we tell our public, *Look, yes we have done this for a long time, but look at the results as we have implemented world class curriculums. Look at the results.* We are not where we want to be, and we know our children are capable. That's the travesty, Madam Speaker. Our children are capable!

The Premier, Hon. W. McKeever Bush: Yes!

Hon. Rolston M. Anglin: They are capable of better results.

We were just at a high school graduation; top student—14 O-levels.

Hon. Rolston M. Anglin: Fourteen O-levels!

The Premier, Hon. W. McKeever Bush: Good!

Hon. Rolston M. Anglin: Madam Speaker, I am going to give my colleague, the Deputy Premier, a wonderful treat. This young lady was actually from the John Gray High School.

[Laughter]

Hon. Rolston M. Anglin: Then, we also had outstanding results from the Layman Scott High School, where we have a young lady being predicted for 11 ones.

[Desk thumping]

Hon. Rolston M. Anglin: She is already in college and on the President's list.

We have another young lady from the same high school who is predicted, I think, for 8 ones. Do you know what kind of result that is, Madam Speaker? Do you know how outstanding an achievement that is? And look at the Layman Scott High School. So, if we were ever going to believe and buy in to the false prophets of yesteryear in education, then, in fact, the children who are coming from the Layman Scott High School, according to the Honourable Leader of the Opposition and his hired gun who came to this country to criticise me, who got up on national TV (and our TV station had the audacity to carry it—that's the travesty—and radio) to talk about, *Oh well, if we kept our children in the same type of schools all they could be qualified to do is flip burgers.*

Madam Speaker, if you believe a consultant like that, then I can really see and understand how the Leader of the Opposition had such a knee-jerk reaction to school development. What he needs to under-

stand is, even at the Layman Scott High School our children are coming out qualified to do much more than flip burgers, according to him and his consultants. Our children are coming out with high quality passes—68 per cent getting five or more O-levels.

The Premier, Hon. W. McKeever Bush: That is how far he can see in the future you see.

Hon. Rolston M. Anglin: But, Madam Speaker, when you are out of touch with reality, this is the type of situation you can get yourself into. I certainly hope that the Members of this House start really paying attention to what matters most.

The Premier, Hon. W. McKeever Bush: They got to stay in here first, can't be under that tree out there.

Hon. Rolston M. Anglin: But, Madam Speaker, what I can say is that this Government, at the end of our term when the big picture is looked at, at the end of the day when it comes to our achievements in human capital development, tourism, waste management, youth development, sports development, the provision of healthcare, participating in affordable, sustainable housing programmes, preparing ourselves and making adequately equipped for any potential national disaster that may hit this country . . . Madam Speaker, I could go on and on. I know this much: Our record will be in full view of the public. And I know the Opposition has two eyes on the elections. So, that is where all the rhetoric is coming from, you see. It is all eyes on the election; them and all of their few new candidates. Everybody is coming out of the woodwork now. Ah yes.

[Inaudible interjection]

Hon. Rolston M. Anglin: So, Madam Speaker, we will come back to this House. We will have a full year budget. We will have our three year plan. We will ensure that we are put back on the path to fiscal stability. When we look at where this country has gotten to and the circumstances that we have had to operate in, we have done a very good job. A very good job!

Madam Speaker, these are interesting times. Come November our Bill of Rights will take full effect. And, Madam Speaker, I know the impact it has already had on central government. I know the amount . . . because I hear them talking about the cuts—cut this, cut that! I know this much, we have to have a juvenile remand facility. I know we are going to have to staff it. I know it's going to have to have an education component. I know it is going to have to have a rehabilitation component. And I know it will not be done for free. I know it's going to cost money.

We have more commissions than Quaker has oats! And every commission has a board to be supported, a secretariat. Madam Speaker, ultimately we

have to clearly understand the times in which we live. We have to be very clear about what we build up in this country and what is crucially important. I have said . . . and I know my colleagues are committed. We have said there is a great necessity for us to look at financial management and accounting systems and human resource management. We have to. This approach that we have used has simply not worked and is too expensive for this country. It was inherited, yes.

I also know, Madam Speaker, speaking from experience; that we need to get back to having project management and delivery recentralised. As Minister of Education with a Chief Officer of Education, now I see the Minister of Community Affairs and his Chief Officer are now going to have to embark upon a project that is approaching \$10 million. Ministries should not be responsible for these projects. It's outside our core business. Our Government is too small to have this type of decentralisation.

As I have looked more clearly, I clearly understand where some of this has come from over the years, and who the architect behind some of this was: The chief theoretician. Nothing personal against the man; he's a good man, good Caymanian. But, you know, when you don't have much to risk in life in terms of what is going to come down the pike tomorrow . . . see, one of the things that we have often misinterpreted in Cayman was this whole business about whether you had to work hard. Sure there are plenty of people in Cayman who came from privileged backgrounds whose parents made them work hard. But there is a whole big difference between working hard and not knowing whether I am going to be able to eat tonight or eat tomorrow, not being able to stay in school and having to leave school at the age of 12 and go to sea, go be a maid in someone else's house, rake yards. There is a h-u-g-e difference between that kind of working hard and working hard but you know you're okay. The base is solid. Inheritance is coming. Huge difference!

So, I am not fooled when I hear those little Anancy stories about, *Oh yes, I had to do such and such*. Sure, that's because all Caymanians basically had a value system that said whether *I am going to give you and have land to leave you or not, I am going to make you work hard to try and make something out of you*. A huge difference between that and really being poor.

But, Madam Speaker, I think we have had enough disasters with all of this decentralisation and bringing systems that cannot work for this little small country. One man, one vote, works great in big countries. This system of accounting works great in New Zealand. It all works great in big countries with massive populations and infrastructure that needs that sophistication. But when it comes to us, we have to do a better job at clearly identifying.

I can remember in 2001, or 2002 (but they better get their facts straight), going up to the Glass

House (in 2001), being invited as the Government Backbencher to the first meeting. Mr. Lyndon Martin was the Opposition Backbencher invited to the meeting. At the end of the day I can remember saying, complex or not, whatever we do needs to fit the circumstances of CIG and be the best fit for the Cayman Islands Government.

What we have is something that we need to really reform.

[Inaudible interjection]

Hon. Rolston M. Anglin: And I hear the Member for East End saying "*unna* put it there."

Mr. V. Arden McLean: That's right!

Hon. Rolston M. Anglin: Well, maybe he was out when I mentioned that the Public Service Management Law came into force when he was a Minister.

The Premier, Hon. W. McKeeva Bush: [Laughter]

Hon. Rolston M. Anglin: Oh, he ain't saying Nay. Okay.

[Inaudible interjection]

Hon. Rolston M. Anglin: So, at the end of the day . . . but it's interesting, you see. Because there are days when they roll out of bed and they say, *PMFL? We were the architects. We were the ones who actually had it down on the docket in the Legislative Assembly in September 2001*. Before November. But what I will do is, because the Member for East End has a very, very fuzzy memory, just for him, I am going to make sure to get from the staff in here the daily work so that he can clearly understand and remember what was done.

What he also needs to understand is who was it that went to New Zealand on the trips? Even before he and I got elected, because this thing was started before us.

[Inaudible interjection]

Hon. Rolston M. Anglin: Oh boy! One thing about the fire; they jump!

So anyway, it sounds like we agree with one thing today: Everyone's cussing PFML and PSML. So, it's now down to us, as Government to put in place and get us on a process of review so that we can ensure that we make the changes that we need to make in this country and have a transition to a new way forward, a better way forward, so that we can accrue the benefits that we know can come from us being smart about a new system.

Madam Speaker, the last thing I will mention is that these same theoreticians that have done such

great things for this country . . . I hear all over the radio now the new theory that abounds, the new item that is going to get us to that land of utopia, milk and honey, all will be flowing and we all will be rich. Yes! The one-eyed giant—one man, one vote. I want to know, since the PPM supports it . . . you see, they get up and they say loads of nothing. “Sweet nothings” is what I call it. Right? Between the Leader of the Opposition and the Elected Member for North Side I haven’t heard one single definitive proposal to reduce expenditure, None! Not one single definitive proposal. Right?

Now they are proponents of one man, one vote. I want to know how it is they are going to change the system of Government to match single member constituencies. Because, you see, they don’t want to tell the public there is a cost coming with this. They have a habit of being untruthful; it’s habitual. I hear the Elected Member for North Side say on national radio that we need to divide the country up because, *you see, if it wasn’t in Bodden Town then whichever constituency we were going to relocated the waste management facility, well then you see the people could pounce on that Member and tell him that they don’t want it there.* So, where is it that we are going to be able to come up with a proper facility? It has to be in somebody’s constituency.

If you use their theory that means that nobody would be brave enough to do it. So, with national issues on a 22-mile long island, nothing gets done because everybody is afraid that if they do it in their constituency they know what will happen next time. *Nope, don’t put it in my constituency! Don’t leave it in mine. I have to get it out of mine.*

What they don’t want to admit is that this globe has so many methods of getting Members to a House and many of them are superior to one man, one vote, and many of them are combinations of that, and many of them create the true accountability we need. We’re 22 miles long. We have 53,000 (just speaking of Grand Cayman) people over here. Let’s say that 19[000] of the work permit-holders are here. That leaves 34,000 people; 22 miles long. And we want to pretend, because we want to be Mr. Big-shots with our egos, that what happens and works in large countries, oh yes, has to be the best for the Cayman Islands; it has to be what is going to work for the Cayman Islands—when they know better.

I have said from way back then that there are many, many ways we ought to be looking at if we are really going to educate our public and come up with the best system. The fact of the matter is that we should have (and I have said it before) . . . I heard the Elected Member for North Side say that he didn’t need to have a big campaign because he can go eat cassava cake on people’s backyard and talk politics and beg for their vote. What a benefit it is to come from a constituency that you only need 200 votes in! What a great country. Now, that’s equal?

What he has to do is equal to the work that we have to do down in West Bay to get 1,600 votes. And now he wants to talk about equal? I don’t want to be equal with laziness. I don’t ever want to be equal with laziness and sitting down eating cassava cake and talking politics. I want to be about what is ultimately going to be the best for this nation. I want to be about what is going to be the best to move Cayman forward. I want to be involved with what is the hard work to go out and get thousands and thousands and thousands of votes to get elected.

My colleague spoke at length at least two or three times on the radio on another concept—why don’t we have a national ballot on a simple page that is about 8 by 11? You put one line down the middle, you put two other lines and you come up with six districts. You have one little label called Cayman Brac and Little Cayman and you have the people running there; East End, people that’s running there; North Side, people that’s running there. A person goes in and votes for who they want to. What’s wrong with that? What’s wrong with having to appeal to everybody—all 14,000 voters, as if that’s so many? Imagine 14,000. It would be a miniscule constituency in the countries that one man, one vote really works in and is built for.

One man, one vote is built for the United Kingdom, New Zealand, Canada and India. Those countries are where it’s built for. Not for small little places like us, talking about we could divide ourselves to 500 people.

So, we see, Madam Speaker, if you have a truly democratic system where everybody decides which 18 of us, God willing, will come here, that’s when you create accountability. I bet you won’t be able to just ignore people because, *Oh, you’re from George Town? I don’t need to deal with you.* Can you imagine how much worse it’s going to be? Imagine now, I’m down in West Bay northwest, and somebody from West Bay central comes? And now all of a sudden, I’m, *Well, they’re not from my little, small little nook and cranny.*

This country should be about the elected Members in our national House of Assembly having to appeal to the entire 14,000 and go out there and face the public and get elected. The public should have a voice in every seat in this House. I bet you then we will make truly national decisions. I bet you then we will care about what’s happening. Can you imagine on a 22 mile long island we can talk about going further than six districts, six constituencies to divide ourselves? Absolutely ridiculous! Madam Speaker, if we go to a national ballot where people can chose; that’s when we have to appeal to everybody and everybody’s vote is just as important.

Now, Madam Speaker, ultimately that is going to be key to us being able to control government expenditure. I can tell you that if they have their way long term it is going to have a tremendously negative

impact on the coffers of this country. In all of the jealousies that kick in, in all of the looking across the fence and saying, *Well, over in West Bay central they got; why don't we have over in West Bay east? Over in Cayman Brac east they got; why don't we have it over in Cayman Brac west?*

Madam Speaker, when they talk about budget, I can't believe they get up and have the audacity not to present to the public their plan that is going to allow us to afford that new system. They have gotten out there and told complete untruth that it is not going to have an impact on cost.

Madam Speaker, this Motion deserves our support. The country needs to operate and Government needs to get down to the business of getting agreement with the FCO. But I think the key that we need to stress is that already drafted in admin is an operating budget with a surplus. We are going to go to bat and battle for what this country needs to operate and for the programmes that our people deserve.

Madam Speaker, we need to move forward so that we can come back to this House with a full budget and have the full and frank debate at that point on that budget. Thank you.

The Speaker: Thank you, Honourable Minister of Education.

Does any other Member wish to speak?
[pause] Does any other Member wish to speak?
[pause]

Fourth Elected Member for George Town.

[Inaudible interjections]

Mr. V. Arden McLean: I can see clearly now. The rain is gone and the clouds have drifted, but they are still over here.

[Inaudible interjections]

Mr. Ellio A. Solomon, Fourth Elected Member for George Town: Madam Speaker, I know the Member for East End is going to have quite a bit to say when I sit down. He was apparently saved by the bell a few seconds ago. And he is mentioning, Madam Speaker, that he has a new pair of glasses and that he is seeing better now than he was seeing seven years ago. So . . .

Mr. V. Arden McLean: Yesterday.

Mr. Ellio A. Solomon: Or just yesterday, Madam Speaker. He's been fuzzy for the last seven years, but he is seeing better today.

Madam Speaker, I rise to make a contribution to what clearly is a very important Motion and when the Leader of the Opposition stood up . . . I know he's not inside the House at the moment, Madam Speaker. In the good spirit of transparency I say that. I think he

is sitting lonely and listening in the canteen where he can hear me and no one has to see his facial expressions. I hear the rumbling now.

Madam Speaker, when the Member rose I was thinking for a second that all of us on this side would have to engage him in some battle of wits, but as he spoke it became obvious that the goodly gentleman came unarmed. He didn't make many points, Madam Speaker. He talked a lot, as usual, but he didn't make a lot of points. At the end of the day if you tell the public that two plus two is four and then you turn around and minus four from it, you still end up with nothing. And that's what the Member left us with.

The situation (and I have mentioned this on numerous occasions) is that this Government, (the United Democratic Party Government), has done very much with very little. I continue to repeat it, Madam Speaker, because it is the true situation on the ground. We have done very much with very little in contrast to the previous Government who had very much and did very little.

Madam Speaker, I want to walk through this because I believe that many persons out there in the general populace are hearing this back and forth. If there is one thing the Opposition has to their favour right now, it is that they seem to have unbridled access to the media. So, the general public ends up only hearing in large part, one part of the story.

I give you a case in point. On one talk show you have some aspirants there who want to run for office so they flog you or the Government on Monday. Then you have the Member for North Side who chooses to flap his lips every Tuesday and, of course, he knows everything about everything and really technically nothing about anything. But that's what he does on Tuesday. Then that's joined by a band of merry men who call themselves the Opposition on Wednesday. They also beat up on the Government quite liberally.

Then the hosts and the aspirants will take a little stab for about an hour and a half on Thursday morning and then they turn off the microphones before anyone could even venture to call and go on to focus on business. And if they haven't filled the talk show with the Commissioner of Police or something else on Friday then the Government gets a chance to get two or three hours on Friday. I use that, Madam Speaker, just as a barometer to show you the position the country is in as it relates to the media.

But it's understandable. Understand that even human nature says that just like water we tend to take the path of least resistance. It is easier to criticise than to say something constructive. It is easier to tear down than it is to build up. I understand that. Good Jesus Christ himself said that in the Bible. He said anything that you see that has been constructed it can be arguably torn down in three days.

See that big Government building out there? I think 200-and-something-thousand square feet. Put

any individual with no experience a hammer and mallet jackhammer and in three days if they haven't torn it down, it's probably not worth going in because it doesn't take anything to simply tear down something.

Just like I tried to tell the previous administration that any fool can spend money. But it takes someone wise to make it. And what the Opposition did during their term of office was spend money. And any fool can spend money. You don't have to look at anyone with any specific qualification, criteria; nothing is required to spend money. Take a five-year-old toddler right now. Give him \$100,000. Guarantee you, he can spend it.

You seem to have Members on that side of the aisle who actually takes pride in bragging about how much money it is that they spend. And the same Member that says that he has just gotten a new pair of glasses so his vision is no longer fogged—it's a pity we didn't have it seven years ago—is the same one that brags about . . . "this Government" he said, and that was when he was referring to the PPM, "was engaging in the largest expenditure that the country has ever seen." Not my words; the words of the Member for East End echoing their ideology, their philosophy of the day, that the PPM Government was going to engage in the largest capital expenditure that the country had ever seen.

Let that be like a factual Friday. That is the fact. And so it is within the confines of their own party, not just this party, not just individuals who want to call themselves independent, everyone in this country knows that if you go out and you go on a spending spree, whether it is your personal income or the people's income, that somewhere or another after that drunken Friday there is a hangover on Saturday and chances are someone is broke.

So what the situation is, and this is serious, Madam Speaker, the situation is that they spent the people's money and they bragged about spending it, and Friday's finished. It is the United Democratic Party Government in office on Saturday while the patient is sick and the country is broke.

I sat on the talk show two and a half years ago and just like others warned them about the spending. The same now self-professed Leader of the Opposition that the limelight is shining on who wasn't quite fully prepared. He and the then past Leader of the Opposition (give him something to beat me up about when I'm finished too) said that we cannot live in fear—arguably, the justification to be able to spend any amounts of monies that they wanted. That is what he told me on the radio; that is what he told the country—"we cannot live in fear".

So, whether it is \$130 million for roads; whether it was \$200-something million for schools, whether it is the same \$13 million in fill that is piled up around the country that we cannot even sell to feed people who are hungry, can't live in fear was his statement. And the audacity of the Leader of the Op-

position today to stand there and seem to have been hit on his head suffering from amnesia as to what his Government did to the country and wondering why we are here in a position with an interim budget; wondering why this administration is always late with a budget—trying to fix his mess, Madam Speaker.

What he fails to understand is that any fool can squeeze toothpaste out of the tube; it's trying to get it back up in there that's the problem. Madam Speaker, you can't get it back in there so easy! It is not so easy to fix the mess that they have put this country in. As the Premier mentioned—and the gravity cannot be underscored and highlighted enough—for the first time in the history of this country, understand it, we always went, we sat around the table and we could decide freely what we were going to spend and what we were not going to spend. We as a people made that choice. That, Madam Speaker, is arguably, well not just a utopia; that is financial independence.

Just like everyone who is walking around today wants to be able to reach in their pockets and whether it's \$5 or \$5,000 they want to have the financial independence to be able to know that whatever is in their pocket they can spend it how, when and where they choose. That's what all of us want.

But I challenge the public to think of those who have \$5,000 in their pockets and before they can even reach to draw it out they have to ask for permission to draw it out. And they say, *I need something to buy some food for my family*. And they have to ask someone for permission to buy their family food. Or they have to pay the car loan so they can have transportation to drive, and they have to ask someone for permission. Tell me what member of the public would find that acceptable. Tell me what member of the public would feel good and want to hear nonsense spewed out of the mouth of anyone who has put them in the position that they cannot reach in their pocket to spend the same money that they work hard for. Tell me what member of the public is going to want to hear from that individual. None!

That's what the Leader of the Opposition and his band of merry men need to understand. They are the ones that put this country in breach of the Public Management and Finance Law. And that, ladies and gentlemen, is the one piece of legislation that we put in place as a country, as a people to guide us. How we were going to spend, what we were going to do, how we were going to do it, and what we weren't going to do, et cetera. They broke the law! And because they broke the law it gave the United Kingdom (who, in my personal opinion, wanted to do it for quite some time anyway, because there is a change, and I'll get to that) . . . They must have been laughing all the way to the bank because they had a good PPM Government that went on the largest capital expenditure that the country had ever seen, wasted the people's money, so now we as legislators cannot decide and under-

stand it, we cannot decide on our own if we want to spend a single \$5,000.

Whether it is \$1 or \$5,000, the United Democratic Party Government arguably cannot decide on its own; it must first get it stamped and approved by the United Kingdom Government. And it's only one group that put us there. And that is the PPM Government, between 2005 and 2009. The first time we have ever been there in the history of this country. In 180 years, the Premier mentioned, the first time we have been there. And who put us there? The PPM Government! And they have the audacity to come down here and wonder why we have an interim budget. Shame on them!

Then he says that he wants to hear from the Fourth Elected Member for George Town. He's going to hear from me, Madam Speaker. Until the day I die, he is going to hear the same argument whether in parliament or not, because the country must never forget what that same Member, the Leader of the Opposition, put this country in. I only hope and pray to God we can get ourselves out and that we can have good men and women wise enough, prudent enough, hardworking enough, ambitious enough, to make sure we are never put back in that position. That's what I hope and pray for.

[Inaudible interjection]

Mr. Ellio A. Solomon: He said he wanted me to flog him but I know him, Madam Speaker. Every time he gets his intellectual flogging he gets upset. Last time I did that, he tried to rush in and hit me!

[Inaudible interjection]

Mr. Ellio A. Solomon: Yes! But he's known for that.

So, Madam Speaker, this is a serious issue. I know, that there are those now out of convenience, or those who out of reasonable ignorance, perhaps looks at everything the United Kingdom does as a great and wonderful thing. I say this because as the Leader of the Opposition says, I have approximately 10 months left before the general elections. But I made a firm commitment from 2005, and again in 2009. I am going to tell the people the truth, the whole truth and nothing but the truth. They can decide, Madam Speaker, what they want to do with Ellio Anthony Solomon, but I am going to tell them the truth.

So, when I get on public radio and tell them that there are certain factions in the United Kingdom Government that do not mean this country well, there may be those in Opposition for when it's convenient, like some of the brown-lipping I hear going on here this afternoon, it may be some of them who may want to paint a different picture. But, Madam Speaker, understand it, I encourage the fools who spend money to go on the Internet and search it out. Look up Gordon Brown, when he was the Exchequer of the United

Kingdom, the financial man, the man in charge who holds the briefcase, who holds the purse. What were his words, Madam Speaker, as the Exchequer of the United Kingdom? That he is going to destroy the Cayman Islands as a financial service centre. Look it up on the Internet! All of those Googleticians over there, especially the lip-flapping Member on Tuesdays; look it up, look it up!

It says Gordon Brown, Exchequer of the United Kingdom says he is going to destroy the Cayman Islands as a financial centre.

Let's find out now. What happened after Gordon Brown left office as the Exchequer? Did he become mop boy? Did he become a janitor somewhere in Government? No! He was then put in the highest position the United Kingdom has, the Prime Minister of the United Kingdom.

So, if we can recap this, the individual who is the Financial Secretary or the Exchequer of the United Kingdom says he is going to destroy the Cayman Islands as a financial centre. And we have to understand that we are all careful in what we say. And to use the term, I think we are doubly careful what we write. And as Members of Parliament we quadruple that because anything we say is in writing anyway. And understand the gravity and the seriousness of it when a Financial Secretary or the Exchequer in charge of the purse says he is going to destroy that territory—our territory—he is going to destroy them . . . this is not some independent country now that they have no influence over; this is their territory. *I am going to destroy one of our territories as a financial service centre.* Those were his words.

Then he gets promoted as the Prime Minister, the highest political power in the United Kingdom. I would dare say, Madam Speaker, that even the appointee that we now have today as our Governor would have been appointed under that same administration. And let them join whatever dots they chose, Madam Speaker, but I want to ask them this: If he said it as Exchequer and then we ask ourselves what did he say as Prime Minister. He didn't say one thing different, Madam Speaker. He made every change to the regulations in the United Kingdom to make it easy for all the monies to flow into the United Kingdom. And made it as difficult and as restrictive as he could for the Cayman Islands. He did not change his position at all.

I want to ask all of us, if a man who is a Financial Secretary, the Exchequer, would say something like that, do we take him serious? Minister of Finance, would we take him serious? As the Prime Minister, when he says it, would we take him serious? Are we not to infer from that, that the highest Member in the United Kingdom Government would take action every day, every month, every year, and every term to ensure that all of the vehicles and mechanisms are in place to bring about the exact thing that he said he wanted to do? Am I wrong to infer that?

I think so, Madam Speaker. That is an inference all of us can draw and there is no one in this honourable House that can reasonably construct any other position. They may choose to say it because they could be sloppy with anything they say, but they can't reasonably construct anything different.

So understand it, Madam Speaker, the United Kingdom understands. We have to then ask ourselves, *Well, how is one good way to make sure that we as a financial services centre disappear?* Very simple! Get to a position where the Cayman Islands charge taxes. That's the first good step. A journey of 1,000 miles begins with one step; and that is clearly the first step. Everything falls in place after that. And I am going to say today, in this June 2012 year of our Lord, Madam Speaker, that that is what we all as a country must face. That from Gordon Brown, who was man enough to voice it, because if he was man enough to voice it that's the tip of the iceberg and I dare say that it's even bigger underneath and deeper underneath and wider underneath, that that is the mechanism in play and certain powers that be, are going to do everything and will continue to do everything that they can until we are charging taxes and until we are no longer as best as they can, a financial services centre.

That is Ellio Solomon's position, and I think anyone who looks at it, Madam Speaker, and doesn't put on blinkers, doesn't blindfold themselves, will see the exact same thing. So, understand that it is an answer to their prayer to have had an administration like the PPM who engaged in the largest capital expenditure that the country had ever seen, that finally opened the window. Because understand the politics of it. They want to do certain things, but you have to be careful how you go about it. It can't be seen . . . sometimes you can't make the hand be seen. You don't want to do that by order in Council, but you need a legitimate reason to step in. And the PPM gave them that legitimate reason to be able to step into the meddling of the financial affairs of this country.

That is what the Leader of the Opposition and the same Member for East End and any one of them who wants to get up and have some retort to what I have to say, that is the same thing that those Members put us in.

Mr. Chris Bryant wrote to the Government as soon as we were elected in 2009 and said . . . the Minister responsible (for what?) in the Foreign and Commonwealth Affairs Office [sic] writing that he wants the Cayman Islands, Madam Speaker, . . . I'm paraphrasing; I am not going to get into all the little arguments with the language. Bottom line is put taxes on the people. You can call it whatever you want, diversifying, let's get some secure revenue streams, the bottom line was that he wanted this Government upon entering office in 2009 to put taxes on the people—direct taxation. That's what they want. They wanted that when Gordon Brown was Exchequer, they want-

ed it while he was Prime Minister, and even now that he's gone, again echoed by Chris Bryant, nothing has changed.

Therefore, Madam Speaker, you continue to see, because a person can't be seen to be unreasonable, bureaucratic harassment (as the Premier would refer to it), you find roadblock in every way. You see, because, Madam Speaker, understand it, when a man has his hands in your pocket, that you can't reach and get your \$5,000 to help your people because a bad PPM Government has your hand tied, but you happen to have a friend while you're muzzled and your hands are tied in your pocket and you can't get your \$5,000, if you happen to have a friend that you can speak through the muzzle and say, *Please, can you help me get \$5,000 for my family over there?* That friend, who has a \$5,000 could step up and do your part and help you with your family even though you have all these restrictions that the previous administration has caused.

So, you know what jolly old England must have to do with those certain factions? They must impede your ability to get your friends to come and help you too. So, no matter what the investor is, China Harbour, the Dart group, the Shetty group (definitely not what the Member for North Side wants to call them), the Enterprise group, no matter what it is, a million hurdles and a million hoops for them to pass through, Madam Speaker. Because no one must be able to come to the aid of those persons, because it must only be one option available to the Cayman Islands Government and understand whether it is this administration or any other administration, we are working down one ravine that there is only one option for any government; one option for the people of this country, and that is that we must impose taxation.

I actually hear them encouraging it. They are encouraging it because they themselves are out there knocking every project. And, as I have said before, they have constructed their campaign for 2013. They are not this government. But the people of this country must fail. Unemployment must remain the same at best for the PPM to get elected. Ideally, what they want and hope and pray for, that same Member, Leader of the Opposition, is that it could increase.

You hear the pride he was spewing out earlier? Tell the Member to tell me what he did with China Harbour. What a brag, Madam Speaker. What a brag, when we can look across and say, *Ho, ho, ho, you were trying to carry food for the man who was starving. Tell us what happened with that.*

You see, Madam Speaker? I don't even want you to walk across and help carry food for someone. And understand, that is the visual, Madam Speaker. Here are individuals carrying some food for some persons who are starving and need the help—the individuals who can't pay off their mortgages, who can't pay their arrears and have no jobs, and mothers out there

on their own suffering. Light bill, water bill, every other bill you can think about.

When the Government is trying to help them you must laugh and mock them and say, *Ha, ha, you can't help them! And I am playing a part in it.* What a brag that the Leader of the Opposition has. What a wonderful brag. He should feel so proud of himself. Rather than be able to come and say to the public, *I saw the efforts by the man that came and said he wanted to try and feed you. And even though I didn't agree with the route he was taking, I did what I could to help carry the load because at the end of the day it meant food for you, it meant food for your family, it meant electric bill being paid, it meant arrears being removed.* That should be the brag. But no, the brag is, *Tell us what you did; tell me how you failed.*

Oh, and thank God, he says, *I played a part in that.* What a brag! Shame on the Leader of the Opposition, Madam Speaker! And look at it. He is in such a desperate position now he is not just flogging the Ministers, you know, not only the Cabinet Members that we can say are at the tip of the spear to make the decisions, he's flogging the Fourth Elected Member for George Town who's on the backbench. Desperate men do desperate things. But he supports they who are on the front bench and wants to flog the guy on the backbench.

You see? That's the kind of personal things that you have. That's why they try to rush in and beat people up.

The Speaker: Honourable Member for George Town, please move on now. You've—

Mr. Ellio A. Solomon: That truth, Madam Speaker, is a stinging truth. I understand. I'll move on. I'll get back to it later.

[Inaudible interjection]

Mr. Ellio A. Solomon: So, down to that personal level, Madam Speaker, that he wants to know what the Fourth Elected Member for George Town has done about China Harbour. Madam Speaker, let me make it clear for the Hansard, for those who may not have had the opportunity to have heard, and so that they can be accurately recorded, because I could never depend on the *Cayman New Service* to record it. God bless any child that goes to that website in search of some historical orientation. You couldn't possibly hear it on Rooster. Again, that would be a swayed compass. So let me put it here in the Hansard.

Some of the same front bench Members that he seeks to compliment, while he criticises the backbench Member in his desperate show of personal issues, was given a task. And that task was to go out and meet with the representatives of China Harbour

and to do his best to negotiate the best deal between the Cayman Islands Government and China Harbour.

And, Madam Speaker, I did just that. And I would have done it with aliens, if that's what it was. Even with the Member for East End who wants to lay down in front of a bulldozer, I would talk to him to try and negotiate the best deal for the country!

So, I met with China Harbour and did exactly that, Madam Speaker. And down in that framework agreement, as I told the people of this country, I dare the security to know that in terms of the employment for all of the vertical works is going to be for Caymanians. When they even talked about housing requirements, legitimate concerns about housing, I would say, because any company wants to do what they can to secure and reduce the bottom line, but nevertheless, despite the additional cost that would be incurred, I said, "No. In Cayman you are going to rent homes." They are going to rent homes of some of these same elderly people who have only one bedroom somewhere in their home, hoping to make a dollar that the Leader of the Opposition can't wait to mock and to smile at their failures.

And I made sure—this Fourth Elected Member for George Town that he has so much personal concern about, made sure—that we can have that same old lady, the same gentleman right now who can't pay their mortgages, who are having difficulties with all those arrears, the light bill, the water bill and everything else that follows, Ellio Solomon, the Fourth Elected Member for George Town, did something. I did the best I could do with all of the power that I have on the backbench to make sure that at the end of the day that in that contract it was going to say rent the homes from them.

What did he do? Motion on iguanas and censure motion! That's all he's ever done, and he tries to stand here and mock them, because they don't get it.

Madam Speaker, I can stand here and I can face the people of this country today and in 2013. Ellio Solomon is not the Premier. I am not a member of Cabinet. I am a Member of the Backbench. I am not even arguably a seasoned member of the backbench; I am a new Member to the Backbench, and a proud new member! I believe that my record itself shows right now I have done much for this country, as best I could, with the little power given to me.

I didn't bring motion on green iguanas or try to remove anybody from office. I brought it for human organ and tissue transplants to say, you know what? Our people shouldn't have to be lining up and joining a queue with 95,000 people so they can get a kidney. And the little boy who sat there with his new wife and she was practically dying, he now has the opportunity to be able to go . . . I can go to the Doctor Shetty Hospital, that the Member who constantly criticised on Tuesday and said, *Oh, I'm against the human organ and tissue transplant;* that individual can save his wife.

The Fourth Elected Member for George Town did that! It wasn't green iguanas, wasn't censure motion. Ellio Solomon did that. I didn't get out there like some of these Members with their mock parliament. And, Madam Speaker, I am not even going to go down there because that is so sick. There are some things you have to try and avoid.

It was like one of those comments I heard the Member for North Side say on public radio. How he even gets away with some of those things is amazing. I mean, like we don't have young people listening, young children listening to the programme. It's "niggers" it's "Jews", it's down to "wet dreams" and "discharge" . . . I mean, it is sick. Sick, sick, sick! That's the state we are in, sick! They will do anything, Madam Speaker.

But remember that. It's the Fourth Elected Member for George Town, the same one that the Leader of the Opposition wants to curse because he has a personal problem with. They can say on the human organ and tissue transplant, Madam Speaker, and anyone who has ever gone down and seen the state of what was last 47 members of our public who have to go through the transfusion, the pain, Madam Speaker, would have a little more empathy than the Leader of the Opposition and how he stands there, gallantly, like he's some paragon of excellence, criticising and mocking, Madam Speaker, as you try to give them assistance.

Tell him to carry to his constituents that Ellio Anthony Solomon, the rookie on the block, the Backbench Member—not the Cabinet Member, not the Premier—it is him that is going to allow you to get a human organ and tissue transplant. Tell him to take that to his constituents. And tell him, when all of them fight you down on every single thing that you do, it's the Fourth Elected Member for George Town who gets up and says that I can proudly say I believe that there are specific jobs in this country that should be reserved for Caymanians only.

You see, the Leader of the Opposition won't have a problem with that if you are talking about an elected Member, because that includes him. And his philosophy is, *Of all my mother's children, I love myself the best! And as long as Mr. McLaughlin can eat, to hell with all the rest.* That's his ideology.

So he won't understand that. But I believe that it should be more than just elected officials. And I believe it should be more, as much as I even respect the Deputy Governor, that it should be more than just the Deputy Governor that is a job reserved for just Caymanians only. It might be our Chief Immigration Officer, and other key decision makers in our public service, or the key jobs in the private sector. It might be the Commissioner!

So, Madam Speaker, you tell the Leader of the Opposition the Fourth Elected Member for George Town made that recommendation—not green iguanas, not censure motion, not mock parliaments—the

Fourth Elected Member for George Town did that. And for everyone, Madam Speaker, and understand whether they are elderly, middle age or young, this same rookie Member of the backbench that plagues him, because he must have nightmares about me. This same Member is the one who comes and says, *Free up the pensions a little bit, people are losing money. Let's be able to give our people access to \$35,000—up to \$35,000 from their pensions to be able to ensure that they can purchase a piece of land.*

And just for clarity, Madam Speaker, I got an email. I can't remember where I was, but I know I was overseas. Probably in one of those Latin countries that the Leader of the Opposition has such scoff at. I hope he remembers to tell the Latin voters that when he runs in 2013, when he gets out there and *"Hay está hablando español con las chicas,"* at some of those bars somewhere . . . I hope he tells them that.

But while I was in one of those countries, Madam Speaker, I got an email from an individual a little bit older than me (I am going to say a middle-aged individual) who thanked me. And that's texted, that's black and white, but you could still feel the emotion, Madam Speaker, from the text that he wrote. And he invested the time to send me the email to say thanks for giving him an opportunity because he was a married man, but no longer married. He got a piece of land.

Madam Speaker, all of the cursing that the Leader of the Opposition and any punching he wants to do, either one of those, is all outnumbered by a simple email like that. Knowing that this rookie, this Fourth Elected Member for George Town, who is no member of Cabinet, no Premier, never served in Cabinet like him, carried the opportunity for the individual to be able to buy a piece of land. He can do it. His children can do it, and even the unborn children can do it, until the PPM gets back in office and cancels it. They will all be able to go down, purchase a piece of land, get a house, buy a house or pay off their mortgage because of what the rookie, Fourth Elected Member for George Town did.

So tell him that! I am proud of that, Madam Speaker.

And that same Member, that same Leader of the Opposition, went on the talk show—the audacity; the blatant scorn and disdain that he has for people, obviously, with his arrogance, goes on the talk show—and debates me as to why it is a bad idea to be able to free it up, to be able to give people access to buy a piece of land, buy a house, build a house or pay off arrears. He, Leader of the Opposition, that's his position. Yet, when he was the Minister responsible for, pensions, amongst other things, he sat there in a single year, pensions in this country lost \$200 million. Imagine that, \$200 million!

Do you know what it would take to stand up on the side of the road and hand out \$200 million? That's what hard working people in this country lost

when that Member, the Leader of the Opposition, was the Minister responsible for pensions. Well, tell him to take it to the bank. The Fourth Elected Member for George Town, the rookie politician, no Member of Cabinet, no Premier, never been a Minister, that while he was losing \$200 million I found an innovative and creative way by the Grace of God to give people money and hopefully that will be \$200 million too.

Tell him to tell them that!

I did that for the private sector, trying to do it for the public sector. And, of course, I'm sure they have a problem with that because the soon-to-be Leader of the Opposition, the Member for North Side, stated his position, so it won't be long before the Third Elected Member for George Town is following him, like he did on the one man, one vote, saying that in his position he'd fire the civil servants that have to be fired.

When I took office, I think the number being thrown around was in the region of 600-and something. So, the soon-to-be Leader of the Opposition, the Member for North Side, will soon be followed by the now Leader of the Opposition, Third Elected Member for George Town, in that same position when they take office, if they ever do, to soon be firing at a minimum 600-and something civil servants.

But I want him to tell the public that behind the scenes and publicly Ellio Solomon, the Fourth Elected Member for George Town, made sure, did what he could to ensure that this Government was going to work in every way that we could, as I stated numerous times on the same talk show, on factual Fridays, Madam Speaker. [Did] everything we could to make sure that at the end of the day no civil servant, no Caymanian was going to leave or lose their job.

That's what this Government did—very much, Madam Speaker, with very little, in contrast to those individuals who did very little with very much.

I hear him bashing the Government about spending. And, Madam Speaker, you know what I find interesting? Whenever this Government gets on a plane and travels, it's all globetrotting and having fun. But I didn't hear the Member for North Side or the Leader of the Opposition talk about when they would get on a plane, one of them (at least in the next couple of days) spend \$8,000 on a first class ticket. I didn't hear them talking about how they would be globetrotting. That comes down to legitimate work.

Oh, but let it be the Premier or any Member of this Government, especially the Fourth Elected Member for George Town, let it be me, and it would be globetrotting.

Madam Speaker, the same now Leader of the Opposition . . . I don't forget; I have a good memory. On one simple function he spent \$455,000. The function lasted for one hour and a half. Four hundred and fifty-five [thousand dollars] and it lasted for an hour and a half. That was the Hero's Day celebration, Madam Speaker. And understand, when I sit down

there will be those who stand up and try to lash me with emotions. Let me make sure and understand it, Madam Speaker. I am the one who, again, even in terms of my particular administration continue to pour all over the present Minister about doing what we can, whether it's the library or otherwise, about supporting our heroes.

I believe that. And I will tell you what—I think just putting people's names there isn't sufficient. There needs to be something to give people more understanding about whom those individuals are, what they did, the hardships, so that they can motivate our people young and old.

But what we are talking about is expenditure, \$455,000, Madam Speaker, spent out of the public purse in one hour and a half. Just to give you an indication of what it would take to spend \$455,000 in an hour and a half, you would have to stand on the side of the road and hand out approximately \$5,000 every minute. So every 60 seconds, you would have to hand out \$5,000 to expend \$455,000 in an hour and a half. I am rounding the function off too. It was probably less, Madam Speaker, but you know, give graces.

So, when I have to hear that Member talk about expenditure, Madam Speaker, they say how things change in a day; how horrible some people's memories are. But you see, Madam Speaker, I believe that the people of this country are hurting. They are down. As they say, cast down but not forgotten. And the fact of the matter is that in all their suffering I hope and I believe that we have not lost our good Cayman sense in that they understand that the Leader of the Opposition is about rhetoric, talk. And they understand that when you party all Friday night, that you have to have a slight problem come Saturday morning. You can't go handing out \$5,000 every minute, every 60 seconds, on the side of the street for an hour and a half non-stop and then when we take office you have the same [\$]455[,000] to help somebody who needs it. They understand that, Madam Speaker.

So when the individual right now is sitting with his arrears and he says, *I have to deal with all sorts of stress. And it's me and it's my wife, my children . . .* or the spouse saying, *it is my husband and I*; those individuals suffering right now with the financial stresses need to understand that when they go to bed at night, Madam Speaker, and they say their prayers, and they say, *If I could only find \$15,000, \$20,000, all of my stresses would be gone.* You need to understand that \$455[,000] was spent by the same Leader of the Opposition, \$5,000 every 60 seconds.

I want them to know that just like how he wasted \$200 million of the people's pensions, and I did what I could do to give it back to them, if I could give them back the \$455,000 he spent in just one hour and a half to pay their arrears, Ellio Anthony Solomon would do it! The same powerless Fourth Elected

Member for George Town that seems to plague him would do it.

So, Madam Speaker, if we get that you can't get up and build roads at \$12,000 per linear foot . . . I used to run gutters one time. We used to charge \$4.50. I heard someone just almost choke, Madam Speaker, so let me say that again—four dollars and fifty cents per linear foot. They were spending \$12,000 per linear [foot]. And that's just the construction of the road. That does not include any land that they have to purchase. We're still paying millions of dollars for the pieces of land that we've taken. It was just a road, \$12,000 per linear foot.

The same Member for East End who's talking that he's found a new pair of glasses . . . and I know what they are going to say. He is going to stand up and tap his chest and talk about how we drive on those roads every day and how we can commute to West Bay and Prospect and everywhere else easier because of what they did. Madam Speaker, yes, we travel those roads. We wouldn't have died if he hadn't built them, but yes, we travel those roads.

But, Madam Speaker, there needs to be an understanding. Just good business sense tells you . . . I think some persons use the adage, *You can take a little prick from the individual's finger and get a little bit of blood every day; but if you cut his throat he's going to bleed to death.* Madam Speaker, we need to take our time when it comes to expenditures. And, as I have stated before, that same Member for East End talked about this is the largest capital expenditure that the country had ever seen. So, when they can spend that \$12,000 per linear foot they seem to have no regard. So I say, Madam Speaker, as I said then, well fine, if you have to spend \$100 million per school, then build one, don't build two. And I would say the same thing about roads.

I said when we find ourselves at the end of this economic valley, as this Government found itself, you do not get less demand for products and services; you get more. Crime does not go down because times are tough. If anything, it probably goes up. The unemployment goes up. The need for healthcare and everything else goes up. So with all the difficulties the Government is facing, the challenges are not the same, they are heightened. And if when they had all of the money in the world and were expending all that they had, they still had difficulty leaving a deficit of \$81 million, and that was in bumper crop times. Well, Madam Speaker, it shows you and anyone with good conscience can look and see the challenges that this Government has faced.

But despite all of the bureaucratic harassment, despite all of the scoffing and mocking by the Leader of the Opposition and his band of merry men, Madam Speaker, this Government has still made tremendous progress. Even down to the housing that they knock on. He can also take to the public that the Fourth Elected Member for George Town that person-

ally plagues him, got up, working with the Minister responsible. We have today 67 homes that have been constructed and 20 now on their way in the district of Bodden Town and, soon to come after, North Side. So, very soon to be, 87 homes.

Madam Speaker, when we took office there were none. And of course their criticism now after they can't knock that too much. So, challenging at the end of the day that there are 87 homes soon to have been constructed and their challenge now is, *Oh, but . . .* I heard the Leader of the Opposition saying "July Street, Windsor Park." How long the people now have not been in a home, Madam Speaker. These homes are going to be constructed, they have been constructed out of good quality material, I can say. Yes, he can beat me up as the Fourth Elected Member for George Town for that. Good material. Not metal, but good bricks, mortar, steel, good timber, and all of the material was purchased locally. Local vendors got the work. Not like him, who even took the photocopying and brought that from Chicago. No! All of the materials purchased locally and the contractors were local contractors. That's what we used in the construction of those affordable homes.

What we had to do was a unique situation in George Town because George Town was a place where the persons were living in the houses on the same site that we had to replace. So, we took them out, put them in good rental accommodations and, again we didn't rent houses from anyone in Chicago, we rented those houses from persons locally. Some of those same elderly people that I talk about that need to rent that one or two bedroom house to be able to pay their own bills. So they got a little relief.

We did that while the houses were being constructed and even now that the houses were constructed there was an issue in terms of the Certificate of Occupancy, certain other infrastructure works needed to be tidied up before those persons could move in.

But let me put that good Member's conscience (if he has any) to rest. Those persons who were in those areas are living in good accommodations, rental accommodations, and when they come out they will be moving into affordable homes that are not a \$60,000 mortgage of tin metal, toilets that couldn't flush, and all sorts of scorpions running around that the Leader of the Opposition and his band of merry men did nothing about for four years. No, they will not be moving back into those homes. They will be moving into good, affordable homes. Good constructed material bought locally using good local contractors.

And they won't be worth \$60,000. We spent \$120,000 to construct them, so, I can assure you they will be worth more than that. I can see the Member for East End itching, Madam Speaker. His next question is going to be, *But can people afford them?* Madam Speaker, no matter what you do, you can't reach eve-

ry bracket. We covered some of them, which I believe is the large part of the bell curve. As I told him in a meeting in East End and those persons who find themselves in one way shape or another on the fringes, we are going to work with them too.

Oh, but how he would beat us up we had come down here and said we were building the homes for \$60,000. It's practically a complete give-away because it's \$60,000 but it's probably actually costing you \$113,000 to build. Oh, how they would beat you up.

So, they can rest assured, Madam Speaker. And the Leader of the Opposition can run and tell them that yet again the Fourth Elected Member for George Town—the rookie in the House, the non-Cabinet Member, the non-Premier—was able to deliver affordable homes just like he promised the people in 2009. That's me, powerless me that did that. Have him beat me up about that.

That same Member, Madam Speaker, who is beating me up on that and talking about all the labour issues, I will just make a quick notation. It is the same Member that only did technically two things in relation to labour. When Mr. Roy Bodden was in, he went to the International Labour Organization, which I believe is located in Barbados, and was able to get a gentleman by the name of Mr. Goolsarran to write a report for the Cayman Islands Government. He wrote that report free of cost (if there is such a thing) as a member of the International Labour Organization.

The now Leader of the Opposition, in doing one thing, repeated what Mr. Roy Bodden had done, and went and got the same Mr. Goolsarran. The only difference is that he was no longer working for the International Labour Organization, so it cost the country dearly. But that's what he did. And one more thing is [he] changed the title of the Labour Law and I think he named it now "Employment Law" and, therefore by extension, now having Employment Office. What an accomplishment, Madam Speaker.

So, Madam Speaker, continuing on, because I talked about the UK earlier on and I am going to have my chance to say a few [words] on the budget piece. It is important for the public to understand the many frustrations we face. I want to make a quick comment with respect to the Auditor General's Office. When I took office in 2009, I was appointed to the Public Accounts Committee. The same committee the Member for North Side was chairing before he quit. Again, excuses. I made a statement that insofar as I was concerned it should have been a case where when the Auditor General's reports are brought, it should be a case that they go before the Public Accounts Committee and that when it gets before the Public Accounts Committee we can have a chance to review it, do the investigations that are necessary and provide a complementary document so that it can go to the public.

I know one of the reasons thrown out, was that that was frustrating, apparently; the issue that in

the past, even under the PPM's committees, [chaired] by one of their backbench Members from the district of Bodden Town—that never met too frequently—that there were issues about the time it took for the investigations. But, Madam Speaker, I said then and I will say now that I believe that that timeframe should be agreed upon, whether it is 10 days, 20 days, 45 days, whatever it may be, so that the Public Accounts Committee has a chance to do its work and that a complementary report can go out. And if it doesn't get it done within that period of time, then fine, send out the AG's report.

Madam Speaker, this country . . . just like the whole issue of one man, one vote. This is not a large United States of America with 300 million people. Or the UK right now with 61 million or 62 million people. This is 54,000 people. And when the AG sends out a report, not just on Government's elected officials, but on civil servants or on members who serve on boards, and you say something damaging to their reputations, Madam Speaker, it is instantaneous. And no report, 30 days or three months later is going to change that. The damage is done! And it really begs you to not have to draw the inference that that is the whole intention anyway.

Just for those relevance, because relevance, Madam Speaker, is the talk about the challenges, whether it is the budget or financial issues that face this country. Just the other day, being with the Auditor General, understand value for money. Value for money, simply put, is you and I sitting down and talking and saying, *Did you get the best deal? Do you think you got the best deal?* But, Madam Speaker, even understand that that sounds simple, but it is not that easy.

At least fundamentally two things have to be done when we talk about value for money; is for you to understand what the policy position was in the first place and then to put things into context. Three cans of beans on the shelf all cost 60 cents. Which one gives you value for money? You start looking at different things. What's the expiration date? Which one has sugar? Which one is healthy? A lot of different variables go into that, Madam Speaker. So you must contextualise things. What are the circumstances on the ground?

I heard the previous Auditor General, Mr. Dan Duguay, get on the talk show, the same Rooster, crowing, saying that he did not believe the position that we were taking on affordable homes was the correct one. Now, Madam Speaker, I can tell you that it is my opinion that any professional worth his salt, calling himself in any way at all something that even resembles being fair, just and scientific, would have taken great pains of caution to not make a statement like that. Because, you see, you have to talk about value for money by putting things into context. Sure you could not expect the persons in a theatre that is on fire to act like the persons who are in a theatre that is not

on fire. And this Government that inherits a situation where there is high unemployment and sees the need to hire the local contractors cannot be held to the same mark for when times were good and there was arguably no one who was unemployed if they did the same thing. You have to put it into context. But that is something that many of them fail to do.

So I told the Auditor General in that in camera meeting, the private meeting (sorry, not the Auditor General, because he wasn't there. He didn't show up. He was on travel, I believe. No, Mr. Martin Ruben) that I have a serious concern, Madam Speaker. And again, it's for the public to hear, digest and for them to decide. But I have a serious concern with what I am seeing. They have a value for money report which carries some relatively rigid rules. Then they came up with another report that the rules were a bit bendy and flexible, special report. And just like if that didn't get bad enough, they came up with a third report, the first one to ever be published, the first one now in the history of the Cayman Islands to ever be published. It's called the "Public Interest Report."

It comes down, Madam Speaker, to a newspaper commentary. That's what it is. A "Public Interest Report." And I asked the question, "Where did you get these public interest reports? Where in the UK do they do them?" They don't do them. Oh, well, well, well, they don't do them there, but where he comes from in Scotland, that's where they do them. So, Madam Speaker, I said it privately and I say it publicly, that office is supposed to be independent, and (fundamentally what isn't mentioned) should also be neutral. And I have some serious concerns about the neutrality of that office. I have serious concerns.

And if the Opposition or anyone who wants to beat me up about that, beat me up, because, Madam Speaker, history in that sense I believe will prove me right. Today 2013, twenty years from now, history will show that I was right. I have concerns.

And the latest, Madam Speaker, I am going to comment on one of the things that my colleague chided about, this one man, one vote issue. Again, that is now being sold to the public as the panacea that will solve all things. [All things] can be resolved now by one man, one vote. I think they are operating on the rule that if people hear something said enough, and they just keep saying it over and over, that some of them will believe it.

The band I hear now, even the Member for North Side carrying some persons with him on Tuesdays, all young persons who we all know in the community, Madam Speaker, a significant number of them who want to run for office, who ran for office, and, again, let me state here as I said on the public radio: nothing wrong with wanting to run for office. I encourage it. Talk about Youth Parliament? We should have as many parliaments as we can. Give everybody a chance, because I believe that if we want to get some solutions and resolution in this country everyone

should have a chance to sit in here and be able to see and feel it for themselves. So, I don't discourage that.

But, don't try to trick the people. This one man, one vote bandwagon that they come up with now to try to frustrate things, throw the public's attention off and hopefully have something that they think is going to ride them through some gate in the election; that's what it is.

But I wish to say to the public, that any time you want to weaken something you divide it. You don't construct it, you don't put it all together, [instead], you divide it. One man, one vote and single member constituencies, as I stated publicly, is not so much an issue on the one man, one vote because, understand it, every Member in George Town right now, as an example, that is a multi-member constituency with four votes, if they chose they can go to the polls and all cast one vote. So, no one in this country can stop you from just casting one vote. That's not against the law.

But the issue of single member constituencies, Madam Speaker, and I want it in the records, because good or bad, sink or swim, whether I am in the system or not in the system, have the records reflect that I have said, it is going to cause some serious division in this country. It is going to bring about some serious problems, because chopping the United Kingdom that has 61 million people into a couple of boroughs is totally different; chopping up America that has 300 million people into several states is totally different. And chopping the Cayman Islands up, that only has 54-whatever-thousand people into 18 pieces . . .

I gave the example with my colleagues in here who are having to deal with the issue of the dump, or the waste management facility, who have to have legitimate challenges from the parochial system that we have; that way that we have to be blinkered politically in terms of saying this is ultimately the area that is going to determine whether you are elected or not.

They must go to Bodden Town and understand that even though previous administrations long gone from 1994 (for those who may even want to scar it with UDP and PPM, long gone were the days in 1994 when the independent candidates of the day ruled, if you want to get back to that . . . let no one cast the blame on parties), [it was] decided that the best place for the waste management facility was right there in the district of Bodden Town. Why? They have to face challenges knowing that at least two members on this group, for example, will come down and have to put in place parochial considerations when making that decision.

And that's why I raise the issue, Madam Speaker. If we truly, in my humble opinion, want to do what is best for this country, we would go to a national vote. I believe what is fundamentally important is that we look at issues on a national level, that we look at what is best for the country. And if they must concern themselves with what is now one out of six electoral

districts, imagine what you are going to have. And just to show you the parochial-ness of this, I heard an individual call the talk show a few days ago. He said, *Well, if everyone is fighting about the dump maybe we should put one dump in each district.*

Madam Speaker, that may make us chuckle a little bit, but think about it. Understand the concern. Well, we're all fighting, can't agree, [so] put one in each district. And he's thinking about the present system. He's thinking about today where there are six electoral districts, put one in each. Well, even if you get to the one man, one vote and single member constituencies, he would still be wrong. You'd have to put one in all 18, because when you decide to put one in George Town, well, hold on. Where are you putting the one in George Town? Is it in constituency number 4, 5, 6, 7 or 8? Which one? Because you can't put it in 6, and then 8, 5, and 4 don't have to deal with it.

You see, Madam Speaker, I fear to state the challenges that we are going to have, the cost increases. I will give a simple example in the district of George Town. Right now, my colleague, Minister Adam, and I share an office. And to round it off we get about \$5,000 a month do to so. The Opposition party, with the Leader of the Opposition and the First Elected Member for George Town share another office, probably at the same cost of \$5,000. That is \$10,000 being expended in the District of George Town alone.

Now, hold on. When you divide up George Town, and it is into six pieces, and [Minister Adam] and I are no longer in the same district now—he's in constituency X and I am in constituency Y—well, I am going to say, *Mike you are going to have one in your area and I am going to have one in mine. I don't have to travel to your area.* So, you can take that same \$10,000 and multiply that pretty much out by the same six. At the minimum, one office, one member, 5, 6, 30. So what was \$10,000 has grown to \$30,000.

They are convincing some of these persons that when they get into the one man, one vote and the single member constituency that they will be able to win office so much easier, because they are saying, *Yes, if you have to compete with Ellio in George Town, you have to get 2,000 votes.* But when we dice up George Town you only have 900 persons to deal with.

Madam Speaker, I say again that is flawed, to those persons who are aspiring (which is good), I say that particular theory is flawed. If you believe as an individual who is working and will leave your job with the hopes of running, taking the risk, hoping to get elected, that in four or five months of campaigning that you can gain enough votes to win office with 900 people, then, Madam Speaker, the Members who are elected who get a full salary, and who, if you want to look at it, are paid then to go and knock on doors, you don't think it would be easier for him or her to keep it?

No. But that's the sort of two-dimensional thinking I keep hearing coming from that side, particu-

larly from three Members over there. Not full thinking, Madam Speaker. You need some three-dimensional, maybe even four-dimensional thinking because that theory, in my humble opinion, is flawed.

What we need, Madam Speaker (and I, again, put it on the record) is a national vote. When I hear the resonance of the people of this country, the resonance tells me that they want more unity, less division. They want to talk about national issues. They want to talk about how we are going to better the country and not this so-called back and forth. Well, then, let's go on to the national vote.

They talk about equality. Well, you don't have to give equality by taking votes from people and only giving them one. Give them equality by giving them all 18 votes. They should be able to choose all of their representatives. Then they go on to the argument about accountability, which is also flawed. Madam Speaker, single member constituencies are not going to increase accountability.

I was reading a press report just the other day and it said that single member constituencies increased the frequency of contact between the individual and his or her representative, but it does not translate to greater democracy. Putting that in good layman's terms, Madam Speaker, at the end of the day accountability comes down to the individual. If the person in a single member constituency decides to go on the beach and not read the newspapers, not listen to the parliamentary sessions, not listen to what their reps are saying, what they are doing and, therefore, goes and decides to use the only means that they can to hold them accountable, then the system has done nothing for them.

The only way that you can hold your representative accountable is to vote for him, vote against him, influence someone to vote for him, or influence someone to vote against him. That's it! Those are all the legal means available to an individual to hold their representative accountable. And that is not determined by any single member constituency, multi member constituency or a national vote; that is determined by the individual. But again, that is the flawed rhetoric that continues to go out there.

So, Madam Speaker, I hear them on this side talking about the budget. And you hear them asking: How is it that we ended up with an interim budget? Why is it that we are in the situation like that?

And on the same hand they are talking about how we should fire civil servants, do what has to be done because people are suffering from high costs. Madam Speaker, do we think for a second what it would have been like for the Government to take in that ill-advice and terminate 600 persons in the civil service? What it would be with [600] multiplied by an average of \$30,000, \$40,000, \$50,000 in salaries removed, arguably instantaneously from the economy. You see, I know at least one Member over there understands business, you know. That's why they are

fighting him so hard for the leadership spot; they don't want him anywhere near it. I'm sure—probably.

But, Madam Speaker, I know he understands that taking 600 people out of the economy instantaneously, immediately, is not going to have a positive effect on the economy. If you think it is bad now, I dare say, Madam Speaker, frightening to imagine what it would have been like had the Government made such a move. But, again, the mouth will say anything when it learns to talk. And, of course, thump their chests; sound good; sounds strong and brave. *Fire the civil servants if you have to*, they said.

And at the same time, while they are throwing that out and talking about businesses, et cetera, suffering, they are also talking about a minimum wage. Yes. A person, whether they are cooking jerk chicken or otherwise, and they are paying someone \$3.50, unacceptable to some, charge \$10 minimum. Like that's not going to increase the cost on that particular business. And like that business is not going to find a way to pass that cost on to all of its consumers, all of its patrons.

[Inaudible interjection]

Mr. Ellio A. Solomon: Oh, five?

[Inaudible interjection]

Mr. Ellio A. Solomon: So, Madam Speaker, it's not that simple.

There are some complex issues. And if it were so simple, Madam Speaker, that all you had to do was go on a talk show and solve all of this country's problems, you wouldn't have to elect anyone; you would just need maybe another two talk shows. But it's not that simple. There are many more challenges than that.

So, on the issue, Madam Speaker, about the challenges with the budget, I believe it should be clear to anyone who have ventured to listen, that there are clearly frustrations, organised, as far as I am concerned, one, by the Members of the Opposition, inclusive of the Member for North Side (for anyone who might have any doubt), and at the same time constructed organisation by what I believe are some factions from the United Kingdom. I believe that even now, for those who choose to google it, I have brought to bear some circumstantial evidence to that particular case as well.

But in all of that, Madam Speaker, this Government, with all of its challenges, having to deal with the Friday night partying and expenditure of the previous Government, has made tremendous strides, tremendous successes. I hope that in this year we will begin to see more of that. When we talk about things like Enterprise City in terms of at least 750,000 square feet of construction and hundreds of persons who are going to be able to get employment, locals and for-

eigners alike, who will be able to come to this country and who are in this country making money, spending it, whether it's buying cars, renting apartments, building houses, buying land, money going out creating opportunities for even more Caymanians.

When we talk about Dr. Shetty, who will start off with a 200 bed hospital, and even when we look at the Chrissie Tomlinson Hospital, just to give a record, that is an 18 bed hospital. So, when persons are trying to get a picture in their mind, if that is an 18 bed, just ask yourself what a 200 bed hospital will look like. And when he stops, at least the immediate goal after that, is, 2,000 beds. A tremendous amount of opportunities, Madam Speaker, both in terms of construction employment, and not to mention the opportunities which will be afforded to our people who, right now, have to be traveling overseas for healthcare that will be able to be delivered in this country. And again, like with the human organ and tissue transplant that the fight against, again opportunity of not having to stand in a line with 95,000 people for a kidney. They can come right to a hospital in their neighbourhood and be able to get those services. I believe that that is a tremendous accomplishment.

They also beat this Government up about FCIA [ForCayman Investment Alliance], like they beat us up about everything else. But again, Madam Speaker, whether you want to talk about the controversial issues about the public beach, or you want to talk about the parks, or even the money that I would have been able to sit in the same back room and be able to say we need to be able to get some funds, we need to be able to help persons with repair their houses, et cetera. All of those are opportunities for our people.

The beach, as an example: No Caymanian is going to lose beach. The beach that you have right there now remains. And you also get the road immediately across from it, and six acres on the other side for parking, barbeque, for Caymanian vendors to set up shop and sell their products, and safety, knowing that if you have your little child there on the beach if he or she happens to run out in the road, God forbid, a car going 40 miles per hour won't be crushing them to their death. No. You will never hear from the Opposition about that, because, as I have said earlier, this country and its people must fail. According to how the Opposition have aligned themselves, they must fail in order for them to survive.

Madam Speaker, again, when the Member wants to talk about the Fourth Elected Member for George Town, this Government has taken both short-term, medium-term and long-term efforts working doing very much with very little to help people. Even in terms of the cleanup programme that works for weeks, or one or two months employing well over 800 persons, all earning \$10 per hour, that for Christmas time would have been able to buy a gift, put food on

the table, doing what all Caymanians want to do, earn an honest living.

But, Madam Speaker, they criticise that too. I think the Leader of the Opposition tries to suggest that he was out there handing out cheques. Madam Speaker, yes, I fought for 800-and-something people to get funds. And I had to go to Treasury myself and pick up the cheques. And I stood next to the people handing them out to make sure the people got their cheques. And when they had to get shovels, I made sure they got shovels, rakes, weed whackers, machetes. I did it all. That's right. The Fourth Elected Member for George Town, the rookie, the non-Cabinet Member, the non-Premier. I did that.

Have him beat me up about that. Ask him what he did to help people when they were unemployed. I think he said, "Think long-term; longevity. It'll work out in the end." That was his comment.

So, whether it is the frustration in terms of the UK, the AG's office, the ploys of the single member constituencies, the national vote, the Government faces challenges. But I remain hope and steadfast that the people of this country will see past all of that and that in all of their efforts it will reverse in the end and they will not be successful, because people will see through all of that rhetoric. And, they see the business owners in this country right now and the families see right now, today, that they are suffering, they are having problems, and all they can hear are those same Members on the talk show every day of the week constantly criticising everything, doing nothing, removing the plate of food from the individual from the Government's hand that we are trying to deliver to the people and then having, on top of that, the audacity to come down here and mock our efforts, hope, praying for our failure, and, by extension, hoping, praying for the failure of the people of this country.

So, Madam Speaker, on the UK stuff, on the AG, I didn't cover it as comprehensively as I could. I hope to be able to do so when we have our Throne Speech because I believe it is important. Sometimes you only have a small window of opportunity to do what we have to do. And I intend to do it while the people of this country have given me my little piece of the real estate here to show them that that is what some of those certain factions in the United Kingdom want to do.

I ask them in the same way to look at the Opposition and to see past their rhetoric. Understand that when they stood on the Floor of the House here and when they stand afterwards, even the Member for East End, when he wants to get up afterwards and talk, have him talk about the \$9 million and even on trash he failed. Even on the trash! And some of these business people who supposedly failed on everything that now have all the solutions, who had the window of opportunity, a 25 year window of opportunity on CUC, understand that we had a monopoly controlling

us 25 years. We can stand up and talk about this. Give people something to actually hear with substance. Twenty-five years—monopoly position—do what you want to do. There was a 25 year window of opportunity that presented itself to that administration, led by the Member for East End, who more than likely will get up after me and play sweeper Madam Speaker, and when at the end of the day—

[Inaudible interjection]

Mr. Ellio A. Solomon: He has assured me, Madam Speaker, that he will have something to say. Good!

Mr. V. Arden McLean: Stay on your feet talking [inaudible].

Mr. Ellio A. Solomon: Good, Madam Speaker!

So, he must tell the people of the country when he was presented with a 25 year window of opportunity to deal with CUC and they were spending \$200 million on schools, and \$130-something million on roads, why he didn't buy a piece of land, maybe next door, and put some turbines on it. Put a replica of CUC on the other side and then go sit at the negotiating table. He must tell the country why he didn't do that.

They curse and argue about the solar energy programme that the Government is doing very much with very little, but yet, didn't do anything, wasted the 25-year window of opportunity.

He came up with one formula up in here, Madam Speaker, for calculating how CUC was going to make money. Can you imagine? Can you imagine if I added to a formula that says to you, *You can get a raise any time the cost of living increases*. Can you imagine that? You talk about a spiral staircase.

Madam Speaker, let me show you why that is foolhardy at best. If I got up right now, and everyone was making \$10,000 (and I know economics is past the Member), but we're all making \$10,000. And I decide to be a benevolent Minister and give them \$20,000. I am going to double their pay. What that does, Madam Speaker, is double their pay. So it means what? That they spend less? No. They spend more. They spend more and all of that spending heats the economy. It creates high demand for products and services.

So where, for example, you might have only had 1,000 people demanding apples yesterday, there are now 2,000 people demanding apples. And because there are 2,000 people demanding apples and the individual, knowing that basic economics survives on scarcity of goods . . . and I see them trying to make some notes, Madam Speaker. So, understanding that it's on scarcity of goods that the individual can only import and trees can only grow a certain amount, it heats up the cost. So, therefore, the price of an apple

rises from \$1 to perhaps \$1.50. So, you see, your cost of living goes up.

So just in terms of increase in salary, increasing the volume, and the velocity of money, at the end of the day rise prices, therefore, the cost of living. So, imagine if you tagged it, that the person could get a raise any time the cost of living increased. What that would mean is that you would increase the salary from \$10,000 to \$20,000, he or she would spend it, it would go into the economy, you would heat it up, the prices would rise, the cost of living would increase and then you would have to come right back to the individual and say, *I have to give you an increase in your salary*. Why? Because the cost of living has just increased. That's the sort of formula that that Member gave to CUC.

I think my colleagues (especially the Member for West Bay) refer to it as the "sweetheart deal." I know he will get up and try to expound and wind his way out of that corner. I trust that the Member for West Bay who understands and has echoed that it was a sweetheart deal will follow him with his rhetoric and again offer the same advice, caution, and correction that I am doing right now.

Madam Speaker, when they talk and criticise the Government, I encourage the public to listen and ask where, in all of that criticism, is there a solution? Please tell the public that you have not pinned single member constituency and one man, one vote, as being the saving grace for the people of this country. Tell us that we have a solution that is going to provide employment. Please tell us that's the case. But the country would hear no solutions coming from them. But yet, they are opposing; they are gesturing and saying, *We should be the next Government*. That's what they are saying, but they have no solutions. Absolutely, unequivocally, Madam Speaker, none!

So, as I said when I started, any fool can spend money; but it takes somebody wise to make it. All of the projects that the PPM engaged in, none of them were money-making projects, even if they are complete or incomplete. Schools—the buildings (so I can separate them from schools) do not make any money. It's a constant expenditure: Electrical bill, your water bill, your maintenance. Understand that in Cayman at the minimum for every square foot for a standard house, it is \$10 cost per square foot. That means that every individual who is staying in a 1,000 square foot house should know that they need \$10,000 every year to keep that house up and running, electrical, water, insurance, maintenance. They need \$10,000.

So, that is the same thing, whether it is the Government [Administrative] Building or the same thing when it comes to those buildings that they said they were building for schools. [It is the] same thing with the road, constant maintenance. So when all of those expenditures are taking place, Madam Speaker, not only do you have to service the loans, you have to service all of the other expenditures. All of them! And

where did they save? Did they leave us a chest somewhere with tons of reserves? No!

Reserves used up; broke the Public Management and Finance Law and left us in a deficit. To do what? Finish off their unfinished projects, which we felt obliged to do out of continuity, if nothing else. Finish the projects, and deal with all of the consequences and the expenditure thereafter. And to make matters worse and add insult to injury, put us in the hands of the United Kingdom of which some factions have their own agenda, wanting only one thing. And that's to make sure that they will be the financial centre, not Cayman. They will do just about anything that they have to do to make sure that we put taxes on.

So, when the Member for North Side, for example, gets up and says (I think it was four times), that "it's a sad, sad, sad, sad day, Madam Speaker," it is. It truly is a travesty to understand that that government could put us in the position that we are in today where no Government—I don't care who you put here, it doesn't matter—and the people of this country, hands tied, gagged, can arguably do nothing, almost nothing to help themselves.

So to the Premier's point: It must be, Madam Speaker, the move of this Government from 2009 to now and on into the future to make sure that we can undo one single thing that that administration did, and that was putting us in the hands of the UK and there by extension destroying the financial independence of every citizen of this country. That is our first and foremost priority. We have to do it, Madam Speaker. Failure to do that, we cannot help ourselves. The only true form (and I state that from the talk shows as well) of independence is financial independence.

So, Madam Speaker, now I can leave it. I know the Member for East End is anxious to say a few words. But I hope that when he rises to his feet he will answer some of the questions that he didn't answer for the last three years. Don't just talk about the Government budget, but talk about all of their failings. Talk about the 25-year window with CUC. Talk about the \$9 million with trash. Talk about the \$3,000 per linear foot wall that he built in East End called "Lovers' Wall". Have him talk about it. That's what he must talk about and justify it to the people of the country. Tell them how it was justified and that no matter how much they are starving now, how they can't pay arrears, how they are having all these difficulties, tell him that his Government in wasting \$455,000 in one hour and a half, which is the equivalent to handing out \$5,000 every 60 seconds, have him stand and justify it and tell the people, *Yes, we did it*.

Have him brag once more that his Government is going to spend the largest capital expenditure the country has ever seen. Have him say it one more time. And remind them that it is because of that largest capital expenditure and the \$455,000, \$5,000 for every 60 seconds, it is for that reason and their Gov-

ernment that has us in a position where we have to have an interim budget.

Madam Speaker, interim budget? We have an interim budget; we have something to hold us over. You think anyone in this country doesn't know what it is to have an interim budget? We have had people living in this country for the last couple of years on interim budgets. And at the end of the day we are here with the interim budget and if it takes a couple of weeks to make sure that we can get it sorted out and get it funded correctly . . .

It's good to see the Member for North Side and Member for East End chuckling away and taking notes. But, Madam Speaker, that can probably inform us for the Throne Speech. But that is what they have an obligation to stand up and tell the people. Don't get up there to the general public have mockery out there on Heroes' Square where, Madam Speaker, who they replaced you with I dare say nothing more. Have them do that, Madam Speaker. Have them come down here and don't say to the country and act appalled as to how we could ever end up in a position with an interim budget. What they must tell the people is that the only thing they can say is thank God that we weren't the Government in actually having to deal, as the Bible says, like dogs to our own vomit, having to wallow in that. Because it was they who created the situation that this country has to deal with. That is what they must stand and tell the public.

Madam Speaker, failing to do so, really shows me that even with all of the hurt and the harm, you still have persons who are not man enough to man-up and say, *We did something wrong, forgive us.*

I thank you very much, Madam Speaker, and all of my colleagues and other Members of this honourable House for the opportunity, and definitely those persons who have given me a chance to serve here to be able to say a few words. Thank you very much for the opportunity for the contribution.

The Speaker: Thank you, Fourth Elected Member for George Town. I am going to suspend the House for 15 minutes.

Proceedings suspended at 6.47 pm

Proceedings resumed at 7.40 pm

The Speaker: Proceedings are resumed. Please be seated.

When we took the break the Fourth Elected Member for George Town had just completed his contribution to the debate.

Does any other Member wish to speak?
Member for East End.

GOVERNMENT MOTION

No. 1/2012-13—Authorisation of Executive Financial Transactions for 2012/13 Financial Year

[Continuation of debate thereon]

Mr. V. Arden McLean, Elected Member for East End: Thank you, Madam Speaker.

Madam Speaker, you will take note that I chose the two microphones since I have had my little difficulties with my eyes. And I would like to thank all of the Members who wished me well in my little surgery that I had recently, yesterday. I can assure them that any of them who have been diagnosed with cataracts should take them off. There is a whole world that awaits them out there, Madam Speaker. I must tell you. I only had one, and I am seeing things I never saw before.

[Laughter]

Mr. V. Arden McLean: Madam Speaker, I am not one to claim to be a vocalist but you know the song, "I can see clearly now" . . . the dark clouds have moved away from me, but I notice they have fallen on the Government.

I can even see that, Madam Speaker.

[Laughter]

The Premier, Hon. W. McKeever Bush: I know one thing, [inaudible] something wrong with your eyes. [Inaudible] with your mouth.

[Laughter]

Mr. V. Arden McLean: Madam Speaker, I thought it was a good time for a lighter moment and you know the Premier cannot resist, he needs to jump all over me. But you know . . .

Anyway, Madam Speaker, just let me begin my contribution to this interim budget that the Government has come here to this honourable House and submitted.

[Inaudible interjection]

Mr. V. Arden McLean: My good friend, the Minister of Education, says, "I can see clearly now that Alden has gone." I can see the UDP on their way out too!

[Inaudible interjection]

Mr. V. Arden McLean: The green is even fading on those ties, Madam Speaker.

Madam Speaker, there were a number of things the Members from that side spoke to. I do not want to get too deeply into it, but I will say, Madam Speaker, that their attempt to defend their interim

budget after three years in Office was a gallant one, but it failed.

I must say to my good friend, the Minister of Education, who is a qualified CPA, that when you mix politics with your profession you tend to not be able to justify much of the political side of it. Nevertheless, I have the utmost respect for him as a CPA and manager. I should also remind him of what Dr. Martin Luther King Jr. said, which was: “**The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy.**”

[Inaudible interjection]

Mr. V. Arden McLean: Madam Speaker, that is for him and he knows I say it well, because we have been friends ever since coming here. And in his position he has to justify what the Government is doing because that is his Government, even though it may not necessarily be what he wants to do. Sometimes we find ourselves in that position—

[Inaudible interjection]

Mr. V. Arden McLean: But to try and justify an interim budget after being in office for three years is difficult. It is very difficult.

Madam Speaker, the Member for North Side said that it was a sad, sad, sad, sad day in this country. It is a day that I hope I never have to witness again.

Madam Speaker, much blame has been thrown or directed at the PPM. Madam Speaker, I think the time for that is over. It is long past. When I took office as a minister in 2005, I did not sit on that side and blame everything I had to do or could not do on the previous government. I went about doing what I had to do, and I did that. And if I made mistakes, Madam Speaker, that is now history. We all make our mistakes in politics; in life even. Politics is no different. But we do it with good intentions. This Government seems to want to throw everything at the lap of everybody else.

Now, Madam Speaker, I took note that right at the end of the contribution by the Fourth Elected Member for West Bay *[sic]*, he took a few shots at me and he thought—

An Hon. Member: From George Town.

Mr. V. Arden McLean: From George Town. Sorry. The Fourth Elected Member for West Bay ain't going to do those kinds of things.

[Laughter]

An Hon. Member: Hear that Capt?

Mr. V. Arden McLean: Not even the Third nowadays does those kinds of things.

[Inaudible interjections]

Mr. V. Arden McLean: Madam Speaker, the Fourth Elected Member for George Town made a few shots at me and he talked about CUC and the licence that I was constitutionally responsible for negotiating between Government, the people of this country and CUC. And he talked about the formula that we devised. Well, Madam Speaker, I don't know if it is possible for me to explain it to him, because he would not understand it anyway. He does not understand things like X factor in these formulas.

[Inaudible interjections]

Mr. V. Arden McLean: He does not understand it. He would have explained it if he did.

[Inaudible interjection]

Mr. V. Arden McLean: Madam Speaker, I can tell you what—the Fourth Elected Member for George Town is no Charles Farrington out of West Bay. I can tell you that.

And if the people who negotiated that contract had done so badly, and I was taking over as a Minister in the Government that was taking over immediately following it, I certainly would not have used them. Absolutely not! I would have cut them off at the knees quick o'clock. But they appointed them on the ERA [Electricity Regulatory Authority] to then be the regulators of the licence that they had negotiated. The same people!

But, Madam Speaker, more importantly, that same formula that they the Fourth Elected Member for George Town is talking about, that I gave based on cost of living increase, he does not understand what it is to use an X factor. So, I am not even going to go through that with him.

[Inaudible interjection]

Mr. V. Arden McLean: Madam Speaker, more importantly—he can ask the Third Elected Member for West Bay—if it was so bad, why is his Government now applying it to the Water Company down along West Bay Road? Same formula!

[Inaudible interjections]

Mr. V. Arden McLean: Same formula!

I see the Third Elected Member for West Bay nodding his head. You are not on that negotiating team you see, so you don't know.

Madam Speaker, the Fourth Elected Member [for George Town] does not know. That is why I said I do not know if it makes sense to explain it.

The Premier, Hon. W. McKeever Bush: Explain it.

[Inaudible interjections]

Mr. V. Arden McLean: And it is not the same formula he used for the Chinese.

[Laughter]

Mr. V. Arden McLean: This does not have the coconut trees upside down.

[Laughter]

Mr. V. Arden McLean: So, Madam Speaker, I am going to take a little pity on him because he was venturing into deep water that he knows nothing of. He needs to consult with (what is his name?)—

[Inaudible interjection]

Mr. V. Arden McLean: The Third Elected Member for West Bay. That is what he needs to do. So, you know, he needs a little pity. So, I sympathise with him; because the lack of knowledge is why we all perish.

Mr. Ellio A. Solomon, Fourth Elected Member for George Town: It is the lack of vision.

Mr. V. Arden McLean: Madam Speaker, you know the irony of what the Fourth Elected Member just said, is that . . . Fourth Elected Member for West Bay, is that—

An Hon. Member: For George Town.

Mr. V. Arden McLean: For George Town.

[Inaudible interjections]

Mr. V. Arden McLean: Capt is going to kill me, you know.

Mr. Ellio A. Solomon: You can't even get that right and you want to do [inaudible]. It's a good thing you [inaudible].

Mr. V. Arden McLean: Madam Speaker, he said it is a lack of vision why we perish. That is the first thing into my notes; that this . . . I got written down here, Madam Speaker, that the Premier told us when he was sitting here in the seat of the Leader of the Opposition, many times, that a country without vision will perish and we had no vision because we were on that

side. That is the same vision that the Fourth Elected Member for George Town is short of right now.

An Hon. Member: Ah.

Mr. V. Arden McLean: And the entire Government. And, Madam Speaker, I really do not understand what has gotten into the Fourth Elected Member for George Town, because he seems to be on this hell-bent journey to destroy his personal political career and to carry the country down with it, him and the Premier. That's what it looks like they are trying to do.

[Inaudible interjection]

Mr. V. Arden McLean: But he must understand that the Premier is seasoned from head to toe.

An Hon. Member: Yes.

Mr. V. Arden McLean: And he is trying to get there. And he must not dabble in things that he knows nothing of. He must consult with some of his people so he understands it before he gets out here and make people shoot him down.

Mr. Ellio A. Solomon: Ah.

Mr. V. Arden McLean: Madam Speaker—

Mr. Ellio A. Solomon: [inaudible]

Mr. V. Arden McLean: *[Chuckling]* I give up.

[Laughter]

Mr. V. Arden McLean: I really give up, Madam Speaker. I tell you, he is like one of those little bad two-year-olds. What do you call them? Terrible twos! Everything you say to him he has an answer for it.

Mr. Ellio A. Solomon: [Inaudible]

Mr. V. Arden McLean: it does not bug me, Madam Speaker, because I've been in here long enough to take it squarely upon my shoulders.

But my advice to him on the CUC thing is to consult with the Third Elected Member for West Bay. He should also look at the Bill that the Minister of Education was using as a reference in his debate. Look at it and see the actual cost of electricity versus the rates. The total cost versus the actual cost of electricity. It is one-third of our bills. It is fuel that is causing the problems.

Our negotiation reduced the cost of electricity in this country by 33 per cent. It went from 15 cents down to 10 cents per Kilowatt hour.

Now, Madam Speaker, CUC recently applied . . . CG did they get that?

[Inaudible interjection]

Mr. V. Arden McLean: Did they get the increase?

[No audible reply]

Mr. V. Arden McLean: They applied for .7 of a per cent I believe. They applied for .7 of a per cent of . . . You see you.

[Laughter]

Mr. V. Arden McLean: You know . . .

[Inaudible interjection]

[DIGITAL RECORDING TIME 7.43 TO 8.08 PM AT THIS POINT IS INAUDIBLE – POSITION AT 0.17.01 UP TO 0.23.00 BEFORE RECORDING IS AUDIBLE]

Mr. V. Arden McLean:—two thousand and nine. The elections were held on the 20th day of May, 2009; 15 days later. It was delivered on the [15th] May for the 31st day of March. Actuals up until the 31st day of March. That was the third quarter of that year. Every quarter an account had to be given. The accounts had to be presented to Cabinet. And it is going to take a month for them to get them ready; March, April. The end of April they would sign it off and by the next Cabinet meeting it would be the 5th of May. That is when it is presented to Cabinet.

Elections on the 20th day of May. We lost the elections on the 20th day of May. By the 21st everybody knew that we were gone. This new House was sworn in on the 27th day of May. May, Madam Speaker. The year nah end yet. Prior to swearing in on the 27th day of May (which was the following Wednesday), Monday, the 25th day of May, the Premier announced that there was some \$60-odd million in deficit that we were looking at; five days after being elected. I want to know: 1) how he knew it—

[END OF RECORDING 7.43-8.08 PM—DIGITAL RECORDING INAUDIBLE]

[RECORDING 8.08 – 8.51 PM BEGINS HERE]

Mr. V. Arden McLean: The Elected Member for George Town said it was not actuals. I can't be responsible for that. He may be right. But I am responsible for what I gathered in Cabinet, which was presented to me. Okay?

Madam Speaker, by the time we rolled around to the first meeting following the swearing in on 27th May it was up to \$81 million. Now, Madam Speaker, if the Premier knew on the 27th day of May that it was going to be \$60-odd million . . . on the 25th (sorry) that there was going to be \$60-odd million by the 30th of

June, and he took the helm on the 27th day of May, he had one month and four days that he was responsible for (until 30th June). And he continued to make it slide? Sixty-odd to eighty-one; that is nearly \$20 million, and he continued to make it SLIDE?

But the key is, Madam Speaker, \$18.8 million says to me that in the nine months we were overspending by an average of \$2.1 million per month. Am I right Mose? You are the . . . I can ask the Minister of Education too. He is an accountant. He knows.

Now, Madam Speaker, the difference between 18 . . . I will use the wrong numbers. The difference between [\$]18 [million] and [\$]81 [million] is \$63 million.

I got that one right, Rolston?

[No audible reply]

Mr. V. Arden McLean: Good!

Sixty-three million dollars, Madam Speaker! Now . . . (I even need glasses for that one). Now, Madam Speaker, that is three months. The 1st day of April to the 30th day of June is three months—the last quarter. And we spent \$63 million in three months.

That, Madam Speaker, is \$21 million per month as opposed to \$2.1 [million]. My simple logic tells me that is what it is.

Now, Madam Speaker, that is why we continue to say let us see the accounts. Show the public where \$63 million went in three months. If the Premier can say there is \$81 million deficit, at the very least we must see it. The country must see it. But then this Premier goes on every platform and says that \$67 million is missing. That is why the Auditor General cannot give audited accounts. Sixty-seven missing? And you are still calling it \$81 [million] deficit? Now it is either it is not 81 [million]. You have to subtract that from the 81 or you add it on.

Madam Speaker, the logic just does not apply in this sense. You are saying that we are missing \$67 million but we have \$81 million deficit.

[Inaudible interjection]

Mr. V. Arden McLean: Madam Speaker, I may be wrong. Somebody needs to prove me wrong. And I have lived with it for three years.

I have lived with it for three years. This country has lived with it for three years. And if the Minister of Education, being the professional he is, needs to explain to the country . . . He really should have been the Minister of Finance. Explain to the country what is wrong with what I am saying.

Madam Speaker, I did not do accounting, I did engineering. To say that I am any accountant would be a s-t-r-e-t-c-h of the imagination. But I am a better engineer than the Fourth Elected Member for George Town. I can assure of that, Madam Speaker.

[Inaudible interjection]

Mr. V. Arden McLean: I can assure this country of that.

[Inaudible interjection]

Mr. V. Arden McLean: *[Replying to inaudible interjection]* You come on down, I will show you.

Madam Speaker, I think it is unfair. I think it is wholly unfair for this Government to continue to come and say that the PPM had a deficit of \$81 million and they corrected it when we cannot see where it was.

And my little East End barefoot logic cannot be dismissed! Somebody needs to dismiss it. Somebody needs to disabuse me with it. Something! I don't know what to do about it.

[Inaudible interjection]

Mr. V. Arden McLean: With my logic! Why can't somebody say that I am wrong?

[Inaudible interjection and laughter]

Mr. V. Arden McLean: Prove it!

Why can't somebody prove that I am wrong, Madam Speaker?

Now, Madam Speaker, I see the Deputy Premier. She loves paper. She wants me to lay it on the Table. I want to lay it on the Table too. Right ya! It's right here, Madam Speaker.

Mr. . . . *wha* your name is? Mr. Serjeant you can put this on the Table so that it becomes a public document.

The Speaker: [May I ask what the document is] you are laying on the Table?

Mr. V. Arden McLean: That is the document which they told us that it was \$18.8 million.

The Speaker: Give it back to him please.

You need to say exactly what the document is that you are laying on the Table.

[Inaudible interjection]

Mr. V. Arden McLean: This is a note by the Financial Secretary, "Financial Reporting for the period 1st July 2008 to 31st March 2009."

The Speaker: Is that a document that came to the House?

Mr. V. Arden McLean: No.

[Inaudible interjections]

The Speaker: So ordered.

Mr. V. Arden McLean: Thank you, Madam Speaker.

The Serjeant will get copies . . . Serjeant, can you make copies, sir? There are two sides—so that all of the Members can get it. That is the same document that the Premier has been telling me that I did not have. Plenty things every one of us is not supposed to have that we have.

[Laughter and interjection]

Mr. V. Arden McLean: Let um hang out because we talking about all of them here today too.

Madam Speaker, I have no problem with taking responsibility for what I have done. No problem with it. Every Member in here knows that. But if I didn't do it, I didn't do it! That is like how this Government continues to say that the PPM, and in particular myself, Madam Speaker. And I noticed they had their advocate in here this morning but he ran quickly before I got up. He should have stayed here.

Madam Speaker, they love to say that I left money in bills for the roads. Madam Speaker, I take full responsibility for what I left there. But the Premier must come in here and take full responsibility for what he left and the Government previous to him left as well. I will soon get to it, Madam Speaker, you don't worry.

This Fourth Elected Member for George Town, he loves to talk about what we did with the road. Madam Speaker, this is public knowledge. All that they say is public knowledge. I am just going to throw something on them today that is not new. They want breaking news? They are going to get it today. Because, Madam Speaker, I defend myself you see. I defend myself. I can't tell you now that I am going to be innocent, but I am going to defend myself.

[Inaudible interjections]

Mr. V. Arden McLean: I never proved that I am innocent. I never said I was innocent. Someone else will judge that. I can't say that. Someone else will judge it. But I know what—I am going to defend myself at all cost. Remember that!

Madam Speaker, just like I defended myself against that same Premier, talking about I didn't pay my electricity bill. I bet he will stop that now!

[Laughter and inaudible interjection]

Mr. V. Arden McLean: *[Replying to inaudible interjection]* You don't worry about the Auditor General. You worry about you.

Madam Speaker, when I took office . . . I am still awaiting some documentation from Lands and Survey, Madam Speaker. But I know, basically off of the top of my head, most of it. And I may be subject to

correction, Madam Speaker, and I submit myself to that. But when I took office, on road compensation, as I recall there was somewhere around \$20 million. The Financial Secretary might be able to say whether or not this is so. But I guess he won't say anything after I table that thing there.

But he knows. We all know, Madam Speaker, and I requested it through FOI from Lands and Survey. I hope they send it. But I am going to tell you, Madam Speaker, when I demitted office the 8th day of May 2009, the road compensation amount stood at \$18.76 million. The active claims out of that was \$4.5 million ("active" meaning "in negotiation"). The Deputy Premier knows. I take full responsibility for that.

But that left \$14.26 million of inactive! Now, the Premier needs to tell this country where that came from and Truman Boddens needs to tell the country where it came from, he and John McLean! They like writing in the paper? They don't know I am inside here now or what? Eh? They like writing in paper? Paper? Paper they ga get!

Madam Speaker, in the last quarter there had been some \$381,770 paid. Madam Speaker, the Deputy Premier can tell us. We don't know what it is going to be. Whoever goes after her if she comes out the next election or the following one, she will leave some there too. She will! She left some there when she came out in 2005. Just like the First Elected Member for George Town, just like John McLean before that. They all leave claims. We all do! We don't know what it is.

When I went to Cabinet, Madam Speaker, I tried to get my colleagues to give me \$6 million to pay down some of that which was there, because it was a liability on the Government. And they cut me down to \$3 million. So, I got \$3 million each year. And one year I think I came back for \$1 million or \$1.5 million, something like that. So, over that period for four years I would have paid out somewhere around \$13 million in compensation. But that was not all for the roads that I had built. Madam Speaker, a lot of that was to bring down some of the debt that was there. And, Madam Speaker, in all fairness to all previous governments, some of these things are like \$1,000, \$500, but people did not know that they could claim so we just cleaned them off the books. Yeah. And then people will claim whatever they want to claim.

And the Premier continues to talk about me not paying a particular family for their land, the Boddens up at the East/West Arterial. Madam Speaker, when I took office one of the first things I had to do. . . Madam Speaker, I do apologise, it was not the Deputy Premier who I took over from in that regard; it was Gilbert [McLean].

One of the first things I had to do was to find over \$1 million to pay Ms. Ida Brown for the piece of property right behind Galleria where that roundabout is. Gilbert built that. And all the property there that the boats and cars are on, is now owned by government. I

had to pay Ms. Ida Brown for what Gilbert left there. That is how it works. Then the Premier talks about how . . .

Madam Speaker, I am only going through this to show that the Premier needs to stop it. This is a government that works in perpetuity!

[Inaudible interjection]

Mr. V. Arden McLean: Nah, I am not worried about the Fourth Elected Member for George Town. He is a non-entity.

Madam Speaker, the Boddens: Government said that they were not entitled to anything where the road was going. I had to take my evaluators. What you want me to do, go and pay it when they say no? They said no, so I go by their advice. And, Madam Speaker, they took it to the assessment committee and the assessment committee awarded them \$300-and-something thousand or something. And the Premier repealed it!

[Inaudible Interjection]

Mr. V. Arden McLean: Well, he said that I didn't pay it, so it must be him who appealed it; or you appealed it, Deputy Premier. Somebody appealed it! But it was not me.

The Government appealed it. The Government could have said, *Let's pay it and forget about it.* The Government appealed it, but they were the ones that said I did not pay for the same piece of land! Same piece of land! But they appealed it. It is going to the Grand Court now.

Madam Speaker, you see one thing that bothers me is Bible toting hypocrites in this country.

[Inaudible interjections]

Mr. V. Arden McLean: If you want to [table] this one lay this one too. Give me a copy of it back ya.

The Speaker: What are you laying on the Table again?

Mr. V. Arden McLean: This is the update of road compensation claim, third quarter, 2008/2009.

Madam Speaker, we got to get these things straight. They must be made public to the public, man. Must be!

The Speaker: [inaudible]

Mr. V. Arden McLean: That is when I left office; the 8th day of May.

Madam Speaker, I read the biography of Castro. It was called *Guerilla [Prince]*. And he did part of the foreword in it and I will never forget. He said: "You may paint me a devil, but be objective about it." [UN-

VERIFIED QUOTE] And I enjoyed that quote and I continue to use it. "You may paint me a devil, but be objective about it."

I do not have a problem with you painting me a devil but be objective about it.

[Inaudible interjections]

Mr. V. Arden McLean: Got to stop it man!

Madam Speaker, when I was Minister with responsibility for Communications, Works and Infrastructure, every Member in here that was present then will tell you that when I came here with my budget I wrote out every line item with a narrative as to the reason why the increase or what-have-you, and circulated it to the Members. They did not have to ask me any questions, it was there. But, of course, you know they would ask me questions.

But I always thought that I was asked fewer questions than anyone else. When I would ask the Deputy Premier, *Do you need to know anything?* She would say, *No that is all right.* And most times that is how the Deputy Premier would deal with me, Madam Speaker. I have nothing to hide. It is not my money. I gave it to them. Let them know what it is. It is not my business.

I always told them, Madam Speaker, that I had no business in their constituencies. It was not my job to come and visit their constituencies to see what was going on in there. It was their job to tell me what their constituency needed. I always operated like that. Ask either one of them if I didn't do it. Ask these gentlemen if I didn't do it.

[Inaudible interjection]

Mr. V. Arden McLean: *[Replying to inaudible interjection]* I'm not worried about you.

No, Madam Speaker, that is the way these things are done. In my view, that is how it should be done.

I had the responsibility to represent as a Minister, more so the people of East End in particular and the people of this country in general. That is what politics is about.

Madam Speaker, you think I put my political career on the line to go to West Bay to build that road because of the four Elected Members for West Bay? No! If it was left to me, I would make them walk!

[Laughter]

Mr. V. Arden McLean: I ain't worried about the four of them. But, Madam Speaker, they know that I met with them and told them that we had to do something about West Bay Road first. Madam Speaker, I spent plenty money.

The Fourth Elected Member for George Town loves to talk about this \$12,000 per linear foot. Why

doesn't he ask Dart how much that one down there is costing them? Thirty-five million dollars to put less than what I put in! Ah! Ah, but Arden gets beat up.

And he talks about the wall in East End. What he said? Three thousand dollars a linear foot? I wish it was \$9 million a linear foot! That's to protect my people the same way you talk about yours! If it was a million dollars a linear foot I was going to do it! And make no apologies to anyone. No one! Not one person I am going to make an apology to about that wall up there. None! So, *unna* can speak about it again. Understand *unna* ain't getting any apologies from me. *Unna* can beat me as much as *unna* want but that wall in East End stays. *Unna* won't dig that out. *Unna* won't dig that out! And the Deputy Premier is the only one of you in here who knows what East End went through. She is the only one! She is the only one who came up there to help me feed my people! She!

[Inaudible interjection]

Mr. V. Arden McLean: She didn't think I was going to give her credit for that one of these days, but she is getting it.

You know, Madam Speaker, that is what budgets are about. After I built the West Bay Road to relieve the traffic down there the Minister of Education implored upon me to do something, and the Third Elected Member and the Fourth too and the Premier. They were calling me every day.

[Inaudible interjection]

Mr. V. Arden McLean: I drove West Bay and went around with every one of those Members, and we decided on lights going into town, turning it into a two-way into town and then in the evening turning it into two-way in the opposite direction. The Fourth Elected Member for West Bay was the one who suggested that.

After considering it I called them and said, *No, we are not going to do that. We need to build another road.* And we built it, Madam Speaker. I put my political career on the line because you in the meantime were up in Bodden Town rowing about I would not do it, Madam Speaker; I wouldn't relieve you in Bodden Town. And that's a fact! My people in East End!

Then, when I go and build that, this little Fourth Elected Member—freshie—from George Town comes here talking about I spend so much money on the road. Yes, I did!

[Inaudible interjection]

Mr. V. Arden McLean: What *unna ga* do 'bout it? You put him in the grass piece cow would eat him and wouldn't know that he was eating him he is so green.

[Laughter]

Mr. V. Arden McLean: I did it!

So, what you are going to do now? Put me in mistake jail or road building jail? Is that what *unna* going to do because I did it on behalf of my people?

The Premier must stop talking it! Must stop talking it!

I don't care which Auditor General it is! He can come! I did it! Me! I stand before you with stretched arms! What you want to do, put nails in them now? *Unna* ain't putting any nails in my hand. I got some and I got a hammer too. Somebody is going to get crucified. It might be me. But I got the hammer. I don't know who got the nails.

[Inaudible interjection]

Mr. V. Arden McLean: I got nails too; only a couple of them. The rest I am leaving for *unna*.

Madam Speaker, politics is about us working to develop our people. This Government continues to spend, spend, and do nothing. They have not done one tangible, measurable, visible thing since they have been in there. You want to talk about failures? You don't want to talk about the failures.

[Inaudible interjection]

Mr. V. Arden McLean: Madam Speaker, I got to give them credit. That is not true. It is not that they did zero. They did a couple of little things. But let's look at the things that they said were going to bring this economy back.

They announced it you know. You know how many times they told this country to give them 100 days? One hundred days more the Premier was announcing a 100 days every time he got to 90—hundred more, hundred more! Madam Speaker, they have done nothing to take this economy! The whole world is in an economic downturn but they told us they were the saviours.

And Truman and John McLean continue to write in the paper about how they brought it out of the slump. Ask Truman when he did an interim budget in this country! I want to know what he is going to say now. What is he going to say now? I hope he writes about this one because that will be in the annals of history in this country. He and John will make up a good piece.

Madam Speaker, the only good thing this Government had going for it was the housing, and the Fourth Elected Member for George Town messed that up.

[Inaudible interjection]

Mr. V. Arden McLean: Madam Speaker, the Minister for housing? Too nice a guy; he couldn't work for me. Oh no, oh no! He is like Kurt.

Madam Speaker, the Fourth Elected Member [for George Town] jumped up and talked about he got 67 built and 20 more soon; 87. Madam Speaker, I agree with him. He never went any further to tell us how many of them are occupied. Six up in East End occupied! The others are empty! Now what is the use of beating Kurt about he didn't do any houses when *unna* did it and put them on the ground and can't get anybody into them? Eh? Hope? H-O-P-E?

[Inaudible interjection]

Mr. V. Arden McLean: Madam Speaker, the [Third] Elected Member for Bodden Town says "hope." I didn't expect any better of him. Hope? Hope?

[Inaudible interjection]

Mr. V. Arden McLean: Hope, Madam Speaker? Now that is an elusive hope.

Building the houses and not having anybody in them. Cannot even get it straight to get the subdivisions done right where the rights-of-way go through them; cannot get the Certificate of Occupancy (CO) and the Fourth Elected Member for George Town is saying that all the people who have moved out of the tin ones, and making it sounds as though the tin ones were the worst things that ever happened to this country. Little did he know, it was the Premier who built those. It was him.

He is making it sounds like it is the worst thing since this country came into existence and, Madam Speaker, they built them. They are responsible. I didn't! I know they were not coming to East End with those tin ones. And he talked about laying down in front of the bulldozer, I was going to lay down in front of the house.

[Inaudible interjection]

Mr. V. Arden McLean: I know you said they were not coming there either.

Madam Speaker, the same people that were on July Street that the Leader of the Opposition asked about, the Government is not even paying rent for them anymore!

Tell him I say so!

[Inaudible interjection]

Mr. V. Arden McLean: They tell me so!

[Inaudible interjection]

Mr. V. Arden McLean: Minister, they told me so.

An Hon. Member: I can give you the names.

Mr. V. Arden McLean: They say long time they stopped paying rent for them.

[Inaudible interjection]

Mr. V. Arden McLean: They're paying it themselves. Minister you be careful. You be careful what you commit to. You hear what I tell you Minister?

[Inaudible interjection]

Mr. V. Arden McLean: You nah too bad.

The Speaker: Not across the hall please.

Mr. V. Arden McLean: Yeah, but he is alright.

The Speaker: But direct it to me.

Mr. V. Arden McLean: Madam Speaker, looks like everybody's going to jail out there too. Everybody is accused of some wrongdoing. Not accused—arrested and charged! And this is what *unna* are singing praises about? *Unna* must take full responsibility for it and defend what you have done.

And talk about an interim budget? You can't get a budget right. You are going to tell me after three years we . . . Madam Speaker, was it not this Government that sent out the schedule, the timeline for the 2012/13 Budget? It was them. It was not us. Stop blaming us! Stop blaming the PPM and the Independent Member, and the FCO and the Governor and the civil servants.

Everything is blamed on the civil servants. Oh, there is plenty you can blame them for, but not this. Madam Speaker, it is they who set the policy and the amount of budget. It is the Government who does it, the Elected Government; it is not the civil servants. You have to stop blaming people.

Madam Speaker, by 27 April 2012, the Budget should have been here. That was the timeline they set out. They sent this out on Monday, 3 October 2011 and you are telling me the Budget is late? What have you all been doing? Sitting down twiddling your thumbs?

[Inaudible interjection]

Mr. V. Arden McLean: Madam Speaker, whether the Deputy Premier thinks that I know better than this or not, this is what was written down!

And you are supposed to get it to England three weeks before you bring it here to be debated. So, three weeks prior to the 27th April. But you know what the problem is? Madam Speaker, do you know what the problem is? The same Premier likes to talk about how he takes on England. He took um on, took um on, took um on! In the court of first instance, took um on! No taxes, no income tax, no payroll tax! Tell

him to keep trying to take on. He is going to pay the price for it. I know they ain't closing down this Parliament.

We talked about bulldozer? It is going to be bulldozer we come down here with, with them. They ain't closing anything down here. They must take him out if he is giving them trouble! You think I ga make them destroy the future of my children?

Madam Speaker, I will tell this: The day I was sworn in as a Minister in this country in these here hallowed halls, the reporter asked my youngest brother what his thoughts were about me being sworn in as a minister. You know what his response was? He said: "He is going to be Minister? He better do what is right because if he destroys my child's future he got to go." That's me, his brother! He said that about. You think I can't throw the Premier under the bus too? Oh yeah! I'd throw him under the bus and I hope it has a million tires on it. It will be going bump, bump, bump, bump, bump.

Not taking my country out like that. If my brother will throw me under the bus, I'll throw the Premier under the bus. He's too face-ty man!

You think you can do anything you want. You must learn to negotiate with these people.

I am not saying he must roll over, Madam Speaker. God forbid. Because I would not be rolling over. But he must learn how to negotiate with these people so that we do not get our country in this kind of predicament. Get the civil servants. Stop your jet-setting. Get the budget ready. The one, single, most important thing the Government has to do and they can't get it done. You ever hear the likes, eh? When, in my 12 years in here, in my 30-odd years of following politics, this is the first time ever that I have heard it. *Unna* need to stop it. Stop playing big boy and big gal.

And nothing the Government does can you believe. Absolutely nothing! Nothing has come to this honourable House in the form of a budget that it remains the same at the end of the year, Madam Speaker. Never! Just three weeks ago, or a month ago, (longer than that) six weeks ago, Madam Speaker, I got to give them.

[Inaudible interjection]

Mr. V. Arden McLean: *[Microphone off or not speaking into microphone—some portions inaudible]* Madam Speaker, *[inaudible]* the Premier announced that the statutory authorities *[inaudible]* was a million and Government was going to have to break even. So, the deficit would be on the entire Government *[inaudible]* the entire public sector. *[Microphone back on – audible at this point]*

It was going to come from their statutory authorities. That has now reversed, Madam Speaker, based on what he said today. That has now reversed. Every Friday evening there are new figures, there are

new numbers. Madam Speaker, we need to get these numbers better. Mind you, we did not do much better. One thing we can say is that we had three years of pretty good. It was our last year. But we did not do much better when it comes to that.

Every time the Premier has been in authority we have had the time of plenty. That is how he manages—*the time of plenty!* It is when we have nothing that he does not know how to manage and get it back up. They spend too much money, Madam Speaker, whilst the real issues in our country suffer.

Madam Speaker, I am going to show you. . . I might as well get everything in here tonight. I wrote Cabinet . . . one moment please, Madam Speaker.

[pause]

Mr. V. Arden McLean: Madam Speaker, I wrote Cabinet requesting much for my constituency. Madam Speaker, nothing has been done. Nothing!

[Inaudible interjection]

Mr. V. Arden McLean: The Premier prefers to come up to East End, picks his chosen one and gives him the money over providing for the needs that I outlined to him, and his other Ministers, I should add. I tell you what, though, Madam Speaker, the election is not over yet.

If the Premier thinks that my tongue is tied to the top of my mouth, he makes a big mistake. East End is a good place for him to come. Very good! If he thinks I am going to allow him to come up there . . . he may win the election; but I am going to tell him what one old man told his wife in East End many, many years ago. She told him she was leaving him. He said, *Yeah? That's fine. You can leave, but understand you are going to pick up some licks before you go.* The Premier is going to pick up some up there too. You hear what I tell you, Madam Speaker?

[Laughter]

Mr. V. Arden McLean: He may come in, but he is not going to leave without some bruises. I assure him of that. And I don't mean physically, Madam Speaker. You know we don't do that. But people are going to know what he is in East End. I can tell him that.

Madam Speaker—

[Inaudible interjection]

Mr. V. Arden McLean: No, *unna* think that it is only you all who have paper up in Cabinet, and only you all have secretary that can keep your paper for you. Me too! I save every piece. Every piece of them I save.

Madam Speaker, I wrote Cabinet and presented it to Cabinet. I dressed in my nice full suit on the 18th of May 2010. I am yet to get a response from

it! That is how they treat people with government money. That is how the Premier is teaching them to treat people with government money. He does what he wants with the people's money. That is why we have a problem with our budget!

The good lady heard me on the radio taking a piece out of her and she called up and invited me to come and see her. And I did. And we had a very nice meeting. She prayed and all of that before we started.

[Laughter]

Mr. V. Arden McLean: She does it with all of her meetings. She needs to pray for you and for all of us I guess.

And, Madam Speaker, we agreed on a particular course of action. Just this week I had to write her and ask her where it is! Not even street lights will they give me!

[Inaudible interjections]

Mr. V. Arden McLean: You hear what I tell you, Madam Speaker? You are going to tell me it is fair for the Government to spend the people's money on private roads when the public road in the middle of East End looks like when I was 10 years old? It has more potholes in it now than when I was 10 years old. At least it was sand and you didn't get potholes then. Right, Madam Speaker? You would get it to lump up into the middle, though. You hear what I tell you, Madam Speaker?

In the meantime the Government can go down to Peninsula Way on West Bay Road when they know—they know, Madam Speaker—that Peninsula Way is owned privately. How is it owned privately, Madam Speaker? When I was building the extension on Esterley Tibbetts Highway Norman Klein (I have to try to remember that name) . . . when I was building the extension the road . . . I am letting it all out here today.

The road had been . . . the company that the road was registered in had been struck from the register then for eight years. Madam Speaker, Cabinet made a decision—you hear? Cabinet, that I was a part of, I took it to Cabinet!—to take the property to build the road so that we didn't have to pay for it! The Financial Secretary is right there. It was vested in his name.

Subsequent to Cabinet making that decision, Norman Klein, on behalf of Chris Ann [SOUNDS LIKE] applied for the company to be reinstated and the Financial Services Department gave him permission to do it. Someone else I must answer. I don't know. Okay?

Madam Speaker, Norman Klein made a claim on Government that it is still outstanding and this Government goes down there and paves it. Do you hear what I tell you? This Government goes down

there and paved it. That hurts me. That hurts me for my people in this country. And I will never let them forget it! It is wrong! To go and spend \$115,000 on it, Madam Speaker—\$115,000 when there are a couple of potholes in East End that only need about 150 feet of road to remove them. Do you think that's right? *Una* think that's right?

Madam Deputy, please reply as you may, as you must. Yes, get up and just say what you want.

The Deputy Premier, Hon. Juliana Y. O'Connor-Connolly: Madam Speaker, on a point of elucidation.

The Speaker: Honourable Deputy Premier.

The Deputy Premier, Hon. Juliana Y. O'Connor-Connolly: Madam Speaker, I wish the record to reflect that the honourable [Member], after I heard him on Rooster I gave the invitation to come to my office, which he did, with the relevant staff so that he could hear for himself that I gave the instructions to the Ministry staff to carry out everything that was requested. The only one thing that I have said not to carry out is the digging up of the seagrass in East End, and I was most surprised when the [Member] gave me a letter yesterday asking why it has not been done.

I gave that letter to the Chief Officer today, Mr. Allan, for them to reply to the Minister, as to why it has not been done. And I can say without fear of contradiction there have been no instructions or directives from this Minister not to do it because that is not the way I operate. So, I am waiting for them to reply to him why they have not done his projects.

The Speaker: Thank you, Honourable Deputy [Premier].

Mr. V. Arden McLean: Thank you, Madam Speaker. That's fine by me. But I know I have to respond and try to write again and ask what happened. I can only ask her. I thought she was going to [speak] on that Peninsular Way then, but let me finish taking that one out forever and a day.

Madam Speaker, the irony that is not lost on me is that Norman Klein's wife was on the NRA [National Roads Authority] and only left the week before ForCayman Alliance got their thing, and she works for Dart. Now they gone and give her a road.

Madam Speaker, as a Representative of my people in East End, do you really think I can stand for that? Honestly now, any right-thinking minded politician should STOP IT NOW! GO DIG IT UP AND LEAVE THE POTHOLES IN IT!

Madam Speaker, this man was so with me after he submitted his intent to claim he wrote me a letter . . . and he must think I can't read English—I mightn't understand it good, but I will look up in a dictionary and see the word—said he was giving up Pen-

insula Way for me to be able to pave it because I promised the people to do it without *prejudice*.

And, Madam Speaker, I sent a directive to NRA, as Minister, that if I see either truck down there, even driving across it, whoever was in it would get fired; they are not working in NRA again.

Here we come with this Government, go and pave it and they went and paved it and spent \$115,314.08 on it. And my little potholes in East End can't get done!

Madam Speaker, I hope the Minister responsible for roads is listening intently because this is another one that I called the Auditor General on. You can't be paving private roads when the people in East End in these times are running through potholes.

This ya tamarind season and we can't even get a budget and paving private roads? Wrong! Wrong, Madam Speaker, wrong! And it is still pending a claim on it?

Madam Speaker, it is [those kinds of] people like that same gentleman and his good wife (well, not so good) this country don't need! They have no intention of supporting the people in this country. IT IS ALL FOR SELF! And the more they can take the better off they are! They don't contribute [anything] to this country! NOTHING! I've had enough of them. Those are the types of people . . . Madam Speaker, that's not a general statement. Please understand me. I have the utmost respect for foreigners, but I treat individuals as individuals!

And it's people like Norman Klein that should NEVER HAVE BEEN GIVEN STATUS in 2003! I have had enough of it—

The Speaker: Member for East End, Member for East End, please refrain from calling private names on the Floor of the House. It's not really right; it's against the rules of the House.

Mr. V. Arden McLean: Madam Speaker—

The Speaker: You can refer to people by their title or their company or whatever, but not individual persons.

Mr. V. Arden McLean: Madam Speaker, we can't change the facts. I respect what you are asking me to do, Madam Speaker. But we can't change the facts. The facts are the facts.

Whether it's on the floor here or somewhere out there in the court of public opinion . . . Madam Speaker, that's why they sent me here you know, so that I can speak. That's the privilege that the people afford me, or any Member in here, because there is no prerequisite for coming in here. There's no training to lead us up to [this]. We advocate on behalf of people.

When the Fourth Elected Member for George Town gets up and rants, that's his choice. That's what parliament is about. There are certain freedoms.

When you see someone taking advantage of our people, you must call their names so that the people can stay clear of them!

That's what politics is about, my boy. Okay? I want you to understand that.

Madam Speaker, I may not be in here for very long. But the honeymoon is over. The honeymoon is over. I don't know whether there has to be any moon left in it, and I don't know whether there is going to be any honey left in it, but it's over! It's DONE! I am going to say what I have to say because this Government continues to lead this country down the rocky path. They are destroying this country. The country is going to hell in a basket being led by the Premier.

Madam Speaker, I want to touch on this thing now about renewable energy. Madam Speaker, when I touched on it earlier, I was saying that it was expensive and the Deputy Premier was agreeing with me. It is an extremely expensive proposition when you are talking about renewable. I am not saying that I don't advocate on their behalf. The Third Elected Member for West Bay knows that I do. I have always believed in them. I would not have been a director on Powersmart Inc. in Canada for about seven years, if I didn't believe in renewable.

Madam Speaker, I don't know what the Government is planning on doing with this \$15,000 they are going to spend on people's homes. Is it \$15,000 per house?

[Inaudible interjection]

Mr. V. Arden McLean: Per house or something? I believe they are getting 1,000 homes out of it or something. That's what my understanding was; for \$15 million, right?

[No audible reply]

Mr. V. Arden McLean: You are going to do it?

[No audible reply]

Mr. V. Arden McLean: You are getting in that too? Everything you see you get into to take money from the Government? The Fourth Elected Member for George Town 'bout he is going to do it. He's getting in that too! Lord, what to do with them out there, Madam Speaker? Everything they see to make \$1 they get into . . . cut, take bread out of another man's mouth in Cayman.

[Inaudible interjection]

Mr. V. Arden McLean: Speak for yourself when you get up.

Madam Speaker, I don't know what \$15,000 is going to do, because with renewables, wind and solar . . . with wind you might get an efficiency of 35 per

cent; solar, you are right around 30 per cent, if you're lucky; the efficiency on these things. And the Third Elected Member for West Bay will verify this.

So, I don't . . .

You don't mistake me for your friend, boy. Don't you ever do that; I am not your friend.

[Inaudible interjections]

Mr. V. Arden McLean: I don't mean to frighten you. I want a war.

The Speaker: Member for East End, please direct your comments through the Chair.

Mr. V. Arden McLean: Madam Speaker, Madam Speaker, the Fourth Elected Member for George Town said that I am his friend. I am not his friend, Madam Speaker.

The Speaker: I think we got that straight.

Mr. V. Arden McLean: Oh, I was directing it through you so I can repeat it to him. I thought he didn't hear, Madam Speaker, because he said I was frightening him. I told him that I don't want to frighten him, Madam Speaker, I want a war.

[Inaudible interjection]

Mr. V. Arden McLean: Madam Speaker, I don't know to what extent and what size homes that they are going to—

The Speaker: Member for East End, we have a technical difficulty. The proceedings are not being recorded; something has gone wrong with the drives. It's being recorded, but it cannot be saved, something is wrong with the drives.

[Inaudible interjections]

The Speaker: It's up to the Premier. Do you want to suspend the proceedings or . . .

The Premier, Hon. W. McKeever Bush: Madam Speaker, I will speak to the technician and then I will discuss it with the Speaker, and see how we go.

The Speaker: Thank you.

The Premier, Hon. W. McKeever Bush: We do need a break. I mean, God, we really need a break.

[Laughter]

The Premier, Hon. W. McKeever Bush: I will speak to the technician.

The Speaker: I will suspend for a few minutes until this procedure can take place. Thank you.

Mr. V. Arden McLean: We need a break from you too.

Proceedings suspended at 9.08 pm

Proceedings resumed at 9.30 pm

The Speaker: Proceedings are resumed, please be seated.

[long pause]

The Speaker: When we took the break the Member for East End was speaking. It is my understanding that we will have to stop after an hour so that we can save the proceedings. We have to do that periodically until the sitting is over tonight.

Member for East End, please resume your debate.

Mr. V. Arden McLean: Thank you, Madam Speaker. I'm glad I only have 34 minutes I believe.

Madam Speaker, when we took that unscheduled break I was talking about renewable energy, and I was saying that I don't know what the Government's plans are, but renewable energy is an expensive proposition.

I have always advocated for renewable energy, so much so that part of the licence requires CUC to look into alternative, renewable energy. And I believe the press just recently announced that they were short-listing people to look for 10 or 13 megawatts I think. But, Madam Speaker, when we talk of 10 or 13 megawatts, that doesn't necessarily mean that we are going to get one for one and therein lies the problem when you are talking about a 30 per cent efficiency.

What will happen is that we will have to probably do 25 megawatts, or more, installed to get sustained, 13 megawatts. I think we have 30 per cent efficiency, so whatever that is. If you are looking 13, then you are going to get one-third of what your installed capacity will be. So, I believe it is incumbent upon Government to ensure that whatever they provide for the general public is done in such a manner that we get maximum efficiency out of it.

Madam Speaker, this Government, this Premier, in June last year, talked about how caring his Government was. And in the State Opening and Budget Meeting of the 2011 Session, 10 June 2011, the Premier is recorded as saying: **"Madam Speaker, my Government is a caring one. We acknowledge that with the present high fuel prices, including diesel, electricity costs are a strain on many households. As well as being a caring Government, we are also responsible in our management of public finances. Accordingly, the Government**

will use four point five million dollars (CI\$4.5 million) of the revenue expected from the introduction of the fifteen hundred dollar fee (CI\$1,500) that will be payable by certain "master funds," to provide for a rebate to Caribbean Utilities Company in respect of the Company's payment of duty on the importation of diesel to produce electricity.

"The four point five million dollar (CI\$4.5 million) rebate will be made in respect of electricity consumed by residential customers. This rebate will reduce the monthly cost that residential customers incur for their consumption of electricity, and the Electricity Regulatory Authority will work closely with Caribbean Utilities Company to monitor the savings transfer to residential consumers.

"Madam Speaker, summer is just beginning. And from what I can see in the electrical bills, it is going to be a long, hot summer. So we must do all that we can to assist our people with these most high, very high, electrical bills. And this is what we are doing to do that." [2011/12 [Official Hansard Report, 10 June 2011](#), page 12]

Madam Speaker, the Fourth Elected Member [for George Town] talked about what I did while being Minister with CUC. One of the things I did was rebate CUC on fuel too, on the duties. But the Opposition of the day, excluding the new Members now, said that I was giving CUC \$5 million a year. They said I was giving it to them. [Did] you ever hear anything more ludicrous? We were doing the same thing, the Government proposed in 2011, after putting it back on, and more, onto the consumer in 2009. We were doing the same thing—rebating it on the duties. But I still "didn't do anything."

I did so much that this Government is following in my footsteps. It must mean I did something good, or why would this Government want to do it?

Madam Speaker, in 2010 the Premier said that people were hurting. The Fourth Elected Member for George Town said it again tonight, people are hurting. And who is causing the hurt? This Government is causing the hurt. This Government is causing the hurt.

Madam Speaker, when you look at this Motion we don't have sufficient money to balance our budget, but the Deputy Premier's Ministry has \$600,000 for miscellaneous road surface upgrades; and Cayman Brac and Little Cayman have \$400,000 in two months. Cayman Brac emergency shelters, \$400,000 to be spent in two months. Little Cayman command centre, \$100,000 to be spent in two months.

Madam Speaker, now I am not saying that these things are not needed. I am just saying which has priority. That's all I am asking. I am not saying they are not needed. My question is, do they have priority at this time?

The Premier is putting money in, hundreds of thousands of dollars, to his slush fund again.

[Inaudible interjection]

The Premier, Hon. W. McKeeva Bush: Madam Speaker the Member must refer to the head he is talking about—

Mr. V. Arden McLean: Madam Speaker, the buck must stop—

Point of Order

The Premier, Hon. W. McKeeva Bush: Madam Speaker, I am on my feet. I rose on a point of order. The Member has gotten away with quite enough here tonight, and I am complaining. The complaint is that he is outside of Standing Orders because if he referred to something, he should refer to what Head he is talking about. There is no such slush fund. If he wants to say student loans are slush, and giving to churches is slush, then he can make that accusation. However, he cannot say that I have a slush fund. And I want it withdrawn.

The Speaker: Member for East End, please do not refer to the matter as a slush fund. Please quote the proper heading under which you are quoting from. Are you quoting from the Budget document?

Mr. V. Arden McLean: Madam Speaker, I'll soon find it for him, if that's what he needs.

Now you really got a nerve calling me idiot. You really got a nerve calling me idiot.

The Speaker: Please stop the name calling both sides—

Mr. V. Arden McLean: Well, tell him stop!

The Speaker: Both sides of the House. Let me finish what I am saying.

[pause]

Mr. V. Arden McLean: Madam Speaker, since he doesn't want me to call this a slush fund, let me put it this way, Madam Speaker. On page 3 the Premier is again . . . "Promotion of national building and church based support", putting in \$736,582 for two months. Now, I would like to know what he is going to spend that on, when we have so many priorities out there.

The Premier, Hon. W. McKeeva Bush: One of them is scholarships.

Mr. V. Arden McLean: Madam Speaker, all he needs to do is respond. But it is my job as a Member of this Parliament to question it and find out what it is being spent on—

Point of Order

The Premier, Hon. W. McKeeva Bush: On a point of order, Madam Speaker!

I have asked for the Member to withdraw that this is a slush fund because it says nothing, and it is not a slush fund, and I don't care what he thinks his privilege is, but his privilege is not going to override the Standing Order. He has to refer to that heading for what it is, and I have asked for it to be withdrawn. I have that right!

Mr. V. Arden McLean: Madam Speaker, when I got up after you ruled I said the Minister does not want it to be called slush fund, on page 3 it's "promotion of nation building and church based support", and I went on to say I have a responsibility to question what it's going to be spent on. That's what I said.

[Inaudible interjection]

Mr. V. Arden McLean: Go ahead?

The Speaker: Yes, please.

Mr. V. Arden McLean: Oh, I was waiting. I thought, Madam Speaker, you were ruling.

The Speaker: I presume your statement was to withdraw the word "slush" and replace it with whatever title you are being called on to use.

Mr. V. Arden McLean: Madam Speaker, I appreciate that it is transfer payment 52 of \$736,582, and the Premier has thus far spent some \$10 million in that arena. And, Madam Speaker, you know, priorities are not being set in this country. That's why we have the problem.

But, Madam Speaker . . . I don't know. I was about to say that I believe that's why we have the problem with the budget. I don't know if it's not . . . maybe I need to change that, because it appears like this is a deliberate attempt by the Premier and his Government to ignore the Miller/Shaw Report. It's a deliberate attempt by them to ignore the Framework for Fiscal Responsibility. And I wonder why they are trying to ignore these things and dismiss them when the Premier said today in his presentation of this Motion, that enough is enough. He needs to explain to this country what "enough is enough" means.

Is it that he is deliberately dismissing this Framework for Fiscal Responsibility to push us towards independence? I don't know. He needs to explain that. He needs to explain that because he has been an advocate of it for a long time—a long, long time. And it looks very, very closely aligned to doing something that will push England to the breaking point since his breaking point has reached, which he says is "enough is enough." Is this a deliberate attempt to do it?

Madam Speaker, in the Strategic Policy Statement of 2012/13 which was tabled in this honourable House, they even said here there would be no borrowing up to 2013/14. And now this morning he announced that they were looking to borrow \$59 million. And, Madam Speaker, they had a surplus for this year, and this was only in December that they tabled this. For the coming year they had a surplus after financing of \$23 million. But here we are with a deficit of \$130 million.

And *unna* must stop beating the civil servants. The civil servants are going to bring to the executive exactly what they believe they need. I have done budgets long before coming in here. And when I was on the other end I would always . . . you have only been in Government. I have been in many more places than that, son. But they have budgets the same way, you know. And budgets don't mean government only. You mean you have been here so long now that you even forget they have a budget outside there too?

Madam Speaker, I always wanted to do more, and I would always put it in my first proposals. And then the company would tell me how much I could spend. But you are blaming the civil servants saying that they come with \$130 million more than we tell them to bring. No. The Premier is constantly blaming someone else.

The Premier, Hon. W. McKeeva Bush: You can blame you!

Mr. V. Arden McLean: Yeah, you can blame me.

The Premier, Hon. W. McKeeva Bush: Oh yeah!

Mr. V. Arden McLean: You can blame me. Go on and blame me. I want to see what you get out of that.

[Inaudible interjection]

Mr. V. Arden McLean: Always did. But I didn't blame them. We still brought the budget here on time.

Unna blaming the fact that the civil service brought more than we told them to bring as the reason why you are not getting the budget?

You signed a Framework for Fiscal Responsibility with Bellingham. I saw in the White Paper that the Premier is like a peacock with him signing it. Pretty-pretty up, signing it!

You signed it then in picture, so uphold it! You had no businesses to go to England and not involve the Opposition, because we all are going to have to pay for this!

The Premier, Hon. W. McKeeva Bush: You think I would carry you to England with me?

Mr. V. Arden McLean: Noooo! I wouldn't want to go with you; I wouldn't go and cock fight with you. I wouldn't make you pin razor blades on my cock foot!

[Laughter and inaudible interjections]

The Speaker: I think we are taking this a little bit too far now. Can we just stay to the debate please?

Mr. V. Arden McLean: Madam Speaker, the Premier seems to think that no one must reply to him. And when I sat here today, I allowed him to say what he had to say. But, of course, you know, he can't keep quiet. Every time he hears somebody sticking him with a little pin, he needs to ensure that the cushion doesn't get stuck because he is like a pin cushion—the last person that stuck him left an impression.

That's why he changes his mind so much. Look at the dock, Madam Speaker. Every Member in this honourable House supported a passenger liner dock. Every Member! Look who he had on it: the Fourth Elected Member for George Town.

Madam Speaker, now the Premier is claiming that he needs value for money. I would like to know what the Fourth Elected Member for George Town did. Nothing! They did nothing! They did nothing!

The only thing I hear the Fourth Elected Member for George Town talk about is the reason why he had to go to China. You have to understand who these people are.

The Premier, Hon. W. McKeeva Bush: Madam Speaker, I want to draw to the attention of Members, the House and the Speaker to Standing Orders which talks about relevance and repetition. Madam Speaker, nobody can say that he hasn't been repeating this over and over and over. This is the third time I heard him with it. I draw the Speaker's attention to that particular Standing Order.

The Speaker: Can you tell me which one it is sir?

Mr. V. Arden McLean: Mm-hmm.

The Premier, Hon. W. McKeeva Bush: The one dealing with repetition.

The Speaker: Mm-hmm. Which one is that?

[Inaudible interjection]

The Speaker: Member for East End, please continue.

Mr. V. Arden McLean: Madam Speaker, the Premier loves to jump up when you sticking him, you see. Loves to jump up when you are sticking him.

The Speaker: Well—

Mr. V. Arden McLean: I am not repeating anything, Madam Speaker. I am saying that the only thing I heard the Fourth Elected Member for George Town saying was that he travelled to China to meet with these people and to learn their custom and how you have to present your business card to them; you have to hold it in two hands, and bow in front of them.

Madam Speaker, I don't think he wants to see another China-man!

[Laughter and inaudible interjections]

Mr. V. Arden McLean: Madam Speaker—

The Speaker: Please stop the across-the-floor comments. As soon as it starts you all can't take it (either side) and then you'll all start exploding. Please stay with the debate.

Thank you, Member for East End. Please continue.

Member for George Town, please be quiet over there.

Mr. V. Arden McLean: Madam Speaker, you know we all have a short fuse; every one of us, Madam Speaker.

The Speaker: That's very obvious.

Mr. V. Arden McLean: But sometimes there are lighter moments that we must have. But I did hear him say that that's what he went there for.

[Laughter]

Mr. V. Arden McLean: But, Madam Speaker, England has now said that we have to go back out to tendering the dock, I believe. We have gotten nothing. That was a panacea, according to them, in getting the economy going.

Look at the amount of construction we have in this country right now.

Madam Speaker, the Minister for Health is asking where. You have a Frank Hall building out here. You have Flowers doing their big five or six storey building up there. You have . . .

[Inaudible interjection]

Mr. V. Arden McLean: Since you all took office! They are building up on the waterfront by Eden Rock. They are doing one up South Sound by the park up there. Government pays no attention to the local economy. All they are concerned about is getting \$5 million from Dart so they can fix people's homes.

[Inaudible interjection]

Mr. V. Arden McLean: Madam Speaker, that is where our attention must be turned. We have a local economy that we can develop. We can make it sustainable so that this country can come out of the doldrums. But this Government is not concerned about that; they are more concerned about going to Panama and Honduras and globetrotting all over the world. That's what they are concerned about. And they think it is going to go away by them going on their trips. It's not going to go away!

Madam Speaker, I will not take away from them that they work hard. They work hard at doing nothing!

[Laughter]

Mr. V. Arden McLean: That's what they work hard at! At doing nothing! And it's time that *unna* looked at the budget.

I would like to know what time this budget is going to come to the country so that the country can see and we can be able to scrutinise this budget and question the Ministers.

[Inaudible interjection]

Mr. V. Arden McLean: No, no. Leave him alone.

Madam Speaker, I am going to leave the Premier alone because I don't want to tangle with him anymore. He is just aggravating. He's just an aggravating soul. He just aggravates everything he touches; every soul he looks at. You know? It's a waste of my time. It's a waste of this country's time to engage the Premier and the Fourth Elected Member for George Town, because one believes they are the other.

Madam Speaker, in the meantime they are globetrotting up in China holding out their hands, giving people their cards, bowing and all kinds of things, and no dock. No dock.

There is no dock out in the middle of town. We were supposed to have three docks by now—one in West Bay, one in Spotts, and one in George Town. And we do not have either one. No, four docks. One in Cayman Brac too! You got that one in Cayman Brac?

[Inaudible interjection]

Mr. V. Arden McLean: Oh, I forgot it.

Lord, I never heard more *chung, ling, fung, ting, tai*.

Madam Speaker, I shall leave these alone to their own devices. I think I have said enough, and the Premier needs to wind up so that we can leave. Give him an hour, if the tape doesn't run out on him. That should be enough.

Thank you very much, Madam Speaker.

The Speaker: Thank you, Member for East End.

Does any other Member wish to speak?
[pause]

You had your turn so let somebody else speak for themselves.

Does any other Member wish to speak?
[pause] Does any other Member wish to speak?
[pause]

If not, I'll call on the mover of the Motion to wind up the debate.

The Premier, Hon. W. McKeeva Bush: Madam Speaker, I am glad that you have called on us to wind up this debate.

Madam Speaker, I rise to speak to what has been said here tonight and today by the Opposition. Madam Speaker, the truth is, I wouldn't attempt, because there has been so much rot that has been said by the three Members from the other side, and I haven't heard one single solution to the country's problem. Not one.

The Member for East End rambled on. I swear, Madam Speaker, he must be on some kind of medication because usually he is a little bit more coherent than he was tonight. And the Member for North Side (who's packing up to go) hasn't done anything since he's been here, except to complain and not put one solution. He seems to think you can go and cut \$60 million out of the budget and that's it. That can be done within an hour.

Fire the Caymanians. Yet they complain that Caymanians don't have any jobs. Madam Speaker, they have talked so much foolishness that I dare not go in that direction, else I would be as stupid as what I have heard coming across here tonight, because I have not heard any solution.

Madam Speaker, bearing in mind that we have a problem with the recording computer [system], I am going to ask that we adjourn the House and we come back in the morning. I will complete my debate at that time. There is some information that I do need to have that I was challenged on, which I need to get. And I would ask that we be allowed to adjourn the House at this time.

The Speaker: Thank you, Honourable Premier. Would you make the motion for the adjournment please?

ADJOURNMENT

The Premier, Hon. W. McKeeva Bush: Madam Speaker, thank you very much for your indulgence.

I do move that this honourable House be adjourned until tomorrow, Thursday, 28 June 2012, at 10.00 am.

The Speaker: The question is that this honourable House do stand adjourned until 10.00 am tomorrow.

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

Ayes.

The Speaker: The Ayes have it.

At 10.02 pm the House stood adjourned until 10.00 am, Thursday, 28 June 2012.

