



CAYMAN ISLANDS LEGISLATIVE ASSEMBLY

OFFICIAL HANSARD REPORT

2005/6 SESSION

(22 June 2005—23 March 2006)

(Swearing-In Ceremony 18 May 2005)

Hon. Edna M. Moyle, JP
Speaker

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MEMBERS OF THE LEGISLATIVE ASSEMBLY

Hon. Edna M. Moyle, JP, Speaker

Elected Member for North Side

***MINISTERS OF CABINET**

(1 July 2005 – 23 March 2006)

Hon. D. Kurt Tibbetts, JP

Leader of Government Business

Minister of District Administration, Planning,
Agriculture and Housing

Hon. V. Arden McLean, JP

Minister of Communications, Works &
Infrastructure

Hon. Alden M. McLaughlin, Jr., JP

Minister of Education, Training, Employment,
Youth, Sports and Culture

Hon. Charles E. Clifford, JP

Minister of Tourism, Environment,
Investment and Commerce

Hon. Anthony S. Eden, OBE, JP

Minister of Health and Human Services

OFFICIAL MEMBERS

Hon. George A. McCarthy, OBE, JP

First Official Member responsible for Internal
and External Affairs

Hon. Samuel W. Bulgin, QC

Second Official Member responsible for Legal
Administration

Hon. G. Kenneth Jefferson, JP

Third Official Member responsible for Finance
and Economics

ELECTED MEMBERS

GOVERNMENT BACKBENCH

Ms. Lucille D. Seymour, BEM

Third Elected Member for George Town

Mr. W. Alfonso Wright

Fourth Elected Member for George Town

Mr. Osbourne V. Bodden

Third Elected Member for Bodden Town

Mr. Moses I. Kirkconnell, JP

Second Elected Member for
Cayman Brac and Little Cayman

OPPOSITION MEMBERS

Hon. W. McKeeva Bush, OBE, JP

Leader of the Opposition

First Elected Member for West Bay

Mr. Rolston M. Anglin

Second Elected Member for West Bay

Mr. Cline A. Glidden, Jr.

Deputy Speaker

Third Elected Member for West Bay

Capt. A. Eugene Ebanks, JP

Fourth Elected Member for West Bay

Mrs. Juliana Y. O'Connor Connolly, JP

First Elected Member for Cayman Brac and
Little Cayman

***MINISTERS OF CABINET**

(18 May –30 June 2005)

Hon. D. Kurt Tibbetts, JP

*Leader of Government Business
Minister of Planning, Communications, District
Administration and Information Technology*

Hon. V. Arden McLean, JP

*Minister of Community Services,
Youth, Sports and Gender Affairs*

Hon. Alden M. McLaughlin, JP

Minister of Education, Human Resources and Culture

Hon. Charles E. Clifford, JP

*Minister of Tourism, Environment,
Development and Commerce*

Hon. Anthony S. Eden, JP

*Minister of Health Services, Agriculture, Aviation and
Works*

***Ministerial and Portfolio Responsibilities Assigned**

The changes in Cabinet Ministers' responsibilities, which took effect on 1 July [2005], mean the reshuffling of several government entities among the various ministries and portfolios.

The detailed list of subjects, departments, sections, authorities, boards and committees assigned to each ministry and portfolio by the Governor will be published as a supplement in the Cayman Gazette.

The changes affect all ministries as they all now have new combinations of subjects. Portfolios, too, have seen some changes from the regrouping of certain operations. Cabinet Secretary Orrett Connor explained that, while the assignments have been made based on the logical grouping of related subject areas, there are a few instances where ministers have been assigned particular responsibilities based on their special areas of expertise and interest.

Here is a summary of the changes:

*The Ministry for **District Administration, Planning, Agriculture and Housing**, formerly the Ministry for Planning, Communications, District Administration and Information Technology, now has responsibility for all departments and agencies connected with agriculture and housing. Minister, the Hon. D. Kurt Tibbetts, is responsible for District Administration, the departments of Planning, Agriculture and Lands & Survey; the MRCU and the Petroleum Inspectorate. He is also responsible for the National Housing and Community Development Trust and the Private Finance Initiative Advisory Board. The freedom of information initiative, to which the new government has given its commitment, is one of Mr Tibbetts' responsibilities.*

*In his role as **Leader of Government Business**, Mr. Tibbetts is responsible for regional and international affairs, including liaison and relationships with heads of state, and involvement in multilateral organizations such as CARICOM.*

*The former Ministry for Education, Human Resources and Culture is now the Ministry for **Education, Training, Employment, Youth, Sports and Culture**. Its minister, the Hon. Alden McLaughlin, is responsible for the departments of Education, Employment Relations, and Youth and Sports; the Pensions Office, the Schools' Inspectorate and the Sunrise Adult Training Centre. The Private Sector Consultative Committee, which brings representatives of the financial sector together to provide input on initiatives affecting that industry, is among the authorities, boards and committees for which Mr. McLaughlin has responsibility. In this capacity he will liaise closely with the Financial Secretary.*

*The former Ministry of Community Services, Youth, Sports and Gender Affairs has become the Ministry of **Communications, Works and Infrastructure**. Minister, the Hon. V. Arden McLean, is responsible for the subject of utilities, and public beaches and cemeteries. The Public Works, Postal Services, Transport, Vehicle Licensing, Vehicle and Equipment Services, and the Environmental Health departments, as well as the Telecommunications Unit and Radio Cayman are all under his purview.*

*The Ministry for Tourism, Environment, Development and Commerce is now the Ministry for **Tourism, Environment, Investment, & Commerce**. Minister, the Hon. Charles Clifford, has responsibility for the Department of Tourism, the Met Office and the Department of Environment. E-commerce and national parks are subjects under his ministry. Among his authorities, boards and committees is the Airports Authority.*

*The Ministry of **Health and Human Services** encompasses health, gender and community affairs. Headed by the Hon. Anthony S. Eden, the ministry has responsibility for the Public Health Department, Children and Family Services Department, the Department of Substance Abuse Services (to be renamed Department of Counselling Services), the Health Insurance Commission, the Probation and Aftercare Unit and the Cayman Islands Crisis Centre.*

*Among official portfolios, the **Legal Affairs** Portfolio and the Portfolio of **Finance and Economics** remain relatively unchanged, except for the shifting of the Private Sector Consultative Committee to Mr. McLaughlin.*

*The Portfolio of **Internal and External Affairs** has assumed responsibility for the Cadet Corps, and the 911, Fire, and Prison services, a move which brings all government uniformed and security and protective branches under the same umbrella. The portfolio has also gained responsibility for the Civil Aviation Authority, formerly the responsibility of the Ministry of Health Service, Agriculture, Aviation and Works, and for the National Archive, which was previously under the Ministry of Education, Human Resources and Culture.*

*The **Cabinet Office** now has responsibility for several units. This includes the Cabinet Secretariat, which provides administrative support to the Cabinet and to the Leader of Government Business in respect of his regional and international relations. The Cabinet office has also assumed responsibility for the London Office and for a protocol office.*

The Cabinet Office's Policy Coordination Unit will track and coordinate the implementation of Cabinet's policy decisions across government agencies. To facilitate an increasingly strategic approach to government's public relations and its information technology development, the Cabinet Office is being assigned responsibility for Government Information Services and the Computer Services Department.

(GIS Press Release, 6 July 2005)

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Abbreviations: (1r), (2r), (3r), first, second, third reading; (A) Amendment; **BT**, Bodden Town; (C), Committee; **CAL**, Cayman Airways, Ltd.; **CAYFIN**, Cayman Islands Financial Reporting Unit, **CDB**, Caribbean Development Bank; **CIHCA**, Cayman Islands Hotel and Condominium Association; **CIIB**, Cayman Islands Investment Bureau; **CPA**, Central Planning Authority; **CITA**, Cayman Islands Tourism Association; **C&W**, Cable & Wireless (CI) Ltd.; **CUC**, Caribbean Utilities Co. Ltd.; **DOE**, Department of Environment; **DOT**, Department of Tourism; **EE**, East End; **FATF**, Financial Action Task Force; **FRA**, Financial Reporting Authority; **GHHS**, George Hicks High School; **GM**, Government Motion; **GT**, George Town; **JGHS**, John Gray High School; **OECD**, Organisation for Economic Co-operation and Development; **PPM**, People's Progressive Movement; **PMM**, Private Member's Motion; **PWD**, Public Works Department; (R), Report; **SO**, Standing Order; **UDP**, United Democratic Party

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| Swearing In     | 1                  | 18 May 2005                    | 1-30                     | 1      |
| 1 <sup>st</sup> | 6                  | 22 June–21 July 2005           | 31-132                   | 1      |
| 2 <sup>nd</sup> | 1                  | 8 August 2005                  | 133-150                  | 1      |
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**OFFICIAL HANSARD REPORT  
WEDNESDAY  
18 MAY 2005  
10.07 AM**

*SWEARING-IN CEREMONY*

**ARRIVAL OF  
HIS EXCELLENCY THE GOVERNOR**

**The Clerk:** May I call upon the Reverend Joseph Crawford to deliver the Prayer.

**PRAYERS**

**Reverend Joseph Crawford:** Let us pray.

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

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

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

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

**The Clerk:** Please be seated.

**ADMINISTRATION OF  
OATHS OR AFFIRMATIONS**

**By His Excellency Mr. Bruce H. Dinwiddy, CMG,  
Governor of the Cayman Islands**

**OFFICIAL MEMBERS**

**The Clerk:** Official Members: Honourable Donovan W. F. Ebanks, MBE, JP, to be the Temporary First Official Member. Oath of Allegiance.

**OATH OF ALLEGIANCE**

**Hon. Donovan W. F. Ebanks, MBE, JP**  
Temporary First Official Member

**Hon. Donovan W. F. Ebanks:** I, Donovan W. F. Ebanks, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her heirs and successors, according to Law. So help me God.

**The Clerk:** Oath of Allegiance by the Honourable Samuel W. Bulgin, QC, JP, Second Official Member.

**OATH OF ALLEGIANCE**

**Hon. Samuel W. Bulgin, QC, JP**  
Second Official Member

**Hon. Samuel W. Bulgin:** I, Samuel W. Bulgin, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her heirs and successors, according to Law. So help me God.

**The Clerk:** Affirmation by the Honourable G. Kenneth Jefferson, JP, Third Official Member.

**AFFIRMATION**

**Hon. G. Kenneth Jefferson, JP**  
Third Official Member

**Hon. G. Kenneth Jefferson:** I, George Kenneth Jefferson, do solemnly and sincerely affirm and declare that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her heirs and successors, according to Law.

**ELECTED MEMBERS OF THE LEGISLATIVE  
ASSEMBLY GOVERNMENT BENCH**

**The Clerk:** Elected Members of the Legislative Assembly. The Government Bench.

Oath of Allegiance by Mr. D. Kurt Tibbetts, JP, First Elected Member for George Town.

**OATH OF ALLEGIANCE  
Mr. D. Kurt Tibbetts, JP**

**Mr. D. Kurt Tibbetts:** I, Darwin Kurt Tibbetts, do swear that I will be faithful and bear true allegiance to

Her Majesty Queen Elizabeth II, Her heirs and successors, according to Law. So help me God.

**The Clerk:** Oath of Allegiance by Mr. Alden M. McLaughlin, Jr., Second Elected Member for George Town.

**OATH OF ALLEGIANCE**  
**Mr. Alden M. McLaughlin, Jr.**

**Mr. Alden M. McLaughlin, Jr.:** I, Alden McNee McLaughlin, Jr., do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her heirs and successors, according to Law. So help me God.

**The Clerk:** Oath of Allegiance by Miss Lucille D. Seymour, BEM, Third Elected Member for George Town.

**OATH OF ALLEGIANCE**  
**Miss Lucille D. Seymour, BEM**

**Miss Lucille D. Seymour:** I, Lucille Dell Seymour, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her heirs and successors, according to Law. So help me God.

**The Clerk:** Oath of allegiance by Mr. W. Alfonso Wright, Fourth Elected Member for George Town.

**OATH OF ALLEGIANCE**  
**Mr. W. Alfonso Wright**

**Mr. W. Alfonso Wright:** I, W. Alfonso Wright, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her heirs and successors, according to Law. So help me God.

**The Clerk:** Oath of allegiance by Mr. Moses I. Kirkconnell, Second Elected Member for Cayman Brac and Little Cayman.

**OATH OF ALLEGIANCE**  
**Mr. Moses I. Kirkconnell**

**Mr. Moses I. Kirkconnell:** I, Moses Ian Kirkconnell, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her heirs and successors, according to Law. So help me God.

**The Clerk:** Oath of allegiance by Mr. Anthony S. Eden, OBE, JP, First Elected Member for Bodden Town.

**OATH OF ALLEGIANCE**  
**Mr. Anthony S. Eden, OBE, JP**

**Mr. Anthony S. Eden:** I, Anthony Samuel Eden, OBE, JP, do swear that I will be faithful and bear true alle-

giance to Her Majesty Queen Elizabeth II, Her heirs and successors, according to Law. So help me God.

**The Clerk:** Oath of allegiance by Mr. Charles E. Clifford, JP, Second Elected Member for Bodden Town.

**OATH OF ALLEGIANCE**  
**Mr. Charles E. Clifford, JP**

**Mr. Charles E. Clifford, JP:** I, Charles E. Clifford, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her heirs and successors, according to Law. So help me God.

**The Clerk:** Oath of allegiance by Mr. Osbourne V. Bodden, Third Elected Member for Bodden Town.

**OATH OF ALLEGIANCE**  
**Mr. Osbourne V. Bodden**

**Mr. Osbourne V. Bodden:** I, Osbourne V. Bodden, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her heirs and successors, according to Law. So help me God.

**The Clerk:** Oath of allegiance by Ms. Edna M. Moyle, JP, the Elected Member for North Side.

**OATH OF ALLEGIANCE**  
**Ms. Edna M. Moyle, JP**

**Ms. Edna M. Moyle:** I, Edna Marie Moyle, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her heirs and successors, according to Law. So help me God.

**Clerk:** Oath of allegiance by Mr. V. Arden McLean, the Elected Member for East End.

**OATH OF ALLEGIANCE**  
**Mr. V. Arden McLean**

**Mr. V. Arden McLean:** I, Vincent Arden McLean, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her heirs and successors, according to Law. So help me God.

**OPPOSITION**

**The Clerk:** The Opposition. Affirmation by Mr. W. McKeeva Bush, OBE, JP, First Elected Member for West Bay.

**AFFIRMATION**  
**Mr. W. McKeeva Bush, OBE, JP**

**Mr. W. McKeeva Bush:** I, William McKeeva Bush, OBE, JP, do solemnly and sincerely affirm and declare that I will be faithful and bear true allegiance to

Her Majesty Queen Elizabeth II, Her heirs and successors, according to Law.

**The Clerk:** Oath of allegiance by Mr. Rolston M. Anglin, Second Elected Member for West Bay.

**OATH OF ALLEGIANCE  
Mr. Rolston M. Anglin**

**Mr. Rolston M. Anglin:** I, Rolston Malachi Anglin, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her heirs and successors, according to Law. So help me God.

**The Clerk:** Affirmation by Mr. Cline A. Glidden, Jr., Third Elected Member for West Bay.

**AFFIRMATION  
Mr. Cline A. Glidden, Jr.**

**Mr. Cline A. Glidden, Jr.:** I, Cline Astor Glidden, Jr., do solemnly and sincerely affirm and declare that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her heirs and successors, according to Law.

**The Clerk:** Oath of allegiance by Captain A. Eugene Ebanks, Fourth Elected Member for West Bay.

**OATH OF ALLEGIANCE  
Captain A. Eugene Ebanks**

**Capt. A. Eugene Ebanks:** I, Captain A. Eugene Ebanks, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her heirs and Successors, according to Law. So help me God.

**The Clerk:** Affirmation by Mrs. Juliana Y. O'Connor-Connolly, JP, First Elected Member for Cayman Brac and Little Cayman.

**AFFIRMATION  
Mrs. Juliana Y. O'Connor-Connolly**

**Mrs. Juliana Y. O'Connor-Connolly:** I, Juliana O'Connor-Connolly, JP, do solemnly and sincerely affirm and declare that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her heirs and successors, according to Law.

**STATEMENT BY HIS EXCELLENCY  
MR. BRUCE H. DINWIDDY, CMG,  
GOVERNOR OF THE CAYMAN ISLANDS**

**His Excellency Mr. Bruce H. Dinwiddy:** Good morning.

Members of the Legislative Assembly, I am honoured to take part in this historic ceremony. It has been the custom for the Governor to say a few words

at this stage before he leaves the Chamber and the Clerk reads the proclamation formally summoning a Meeting of this new Legislative Assembly. Let me therefore be the first to congratulate very warmly, all the Members of the Legislative Assembly as they take their seats, and particularly the five new Elected Members who are today taking their seats for the very first time.

I thank all the Elected Members for taking on the important responsibility of serving our people as their Elected Representatives and I take this opportunity also to thank the thirty unsuccessful candidates for their part in the democratic process that unfolded just a week ago.

At the same time, I wish publicly to thank the Supervisor of Elections, his Deputies, the other members of the Elections Office, the returning officers and the many many other people who worked so diligently in a variety of roles to ensure that the whole electoral process ran so smoothly. We are fortunate indeed to have such an experienced and dedicated team so well supported by scores of willing volunteers drawn from all sections of our community, not forgetting also the important role of the Royal Cayman Islands Police Service.

I thank too the electorate for their essential part in the Elections. These were, I believe, our biggest Elections ever. Including the eight hundred and fifty nine postal ballots, the number of participating Electors was ten thousand five hundred and twenty seven or 80.5 per cent of the total number of people eligible. That percentage figure compares very favourably with the turnout in recent elections in some of the world's longer-established great democracies. It shows a strong commitment and involvement on the part of our electorate and it sends a strong message to this new Legislative Assembly.

Members of the Legislative Assembly, I hope that four years on, in May 2009, you will all be able to look back with pride on what you have achieved. There are big challenges ahead, including, I am sure as in the past, some big and possibly very sudden challenges that none of us here this morning could possibly predict.

I am sorry that I personally shall not be here in Cayman throughout the Parliament, but I look forward very much to working with you closely during the rest of my time as Governor. I wish you every success and I pray that Almighty God will continue, in His wisdom and mercy, to guide and bless you all for the welfare and prosperity of the people of these beautiful Islands and for wider benefit of the global community.

Members of the Legislative Assembly, I shall follow with interest your proceedings today and I look forward to returning to the Chamber later to present instruments of appointment to the Honourable Leader of Government Business and the Honourable Leader of the Opposition.

In the meanwhile, thank you all for your attention.

**The Clerk:** Please stand.

**DEPARTURE OF  
HIS EXCELLENCY THE GOVERNOR**

*Serjeant-at-Arms  
His Excellency the Governor  
ADC  
Chief Justice*

**The Clerk:** You may be seated.

**PROCLAMATION NO. 3 OF 2005**

**The Clerk:** Cayman Islands Proclamation No. 3 of 2005 by his Excellency Bruce H. Dinwiddy, Companion of the Most Distinguished Order of Saint Michael and Saint George, Governor of the Cayman Islands.

**WHEREAS Section 46 (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, Bruce H. Dinwiddy, CMG, Governor of the Cayman Islands, by virtue of the power conferred upon me by the said section 46 (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, on the Island of Grand Cayman, beginning at 10 am on Wednesday the 18<sup>th</sup> day of May, 2005.**

**GIVEN UNDER MY HAND BY THE PUBLIC SEAL OF THE CAYMAN ISLANDS AT GEORGE TOWN, IN THE ISLAND OF GRAND CAYMAN ON THIS 13<sup>TH</sup> DAY OF MAY, IN THE YEAR OF OUR LORD, TWO THOUSAND AND FIVE, IN THE FIFTY-FOURTH YEAR OF THE REIGN OF HER MAJESTY QUEEN ELIZABETH II.**

I will now call for the nomination of the Father of the House to preside over the Election of the Speaker.

**NOMINATION OF THE LONGEST CONTINUOUS  
SERVING MEMBER OF THE LEGISLATIVE  
ASSEMBLY TO PRESIDE OVER  
THE ELECTION OF THE SPEAKER**

**The Clerk:** Mr. Anthony Eden.

**Mr. Anthony S. Eden:** I beg to nominate Mr. W. McKeeva Bush, OBE, JP, First Elected Member for West Bay, being the Member who has the longest unbroken service in the Legislative Assembly, and the Father of the House, to preside over the election of the Speaker.

**The Clerk:** The Motion has been duly moved. The question is that Mr. W. McKeeva Bush, OBE, JP, the Father of the House, preside over the election of Speaker.

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

**Ayes.**

**The Clerk:** The Ayes have it.

I now invite Mr. W. McKeeva Bush, OBE, JP, the Father of the House to preside over the election of the Speaker.

**NOMINATIONS FOR THE ELECTION OF THE  
SPEAKER OF THE LEGISLATIVE ASSEMBLY**

[Mr. W. McKeeva Bush, OBE, JP, Presiding]

**The Chairman:** Honourable Members, it is my duty and pleasure to call for nominations for the person who will be the Honourable Speaker of this Legislative Assembly.

The First Elected Member from George Town.

**Mr. D. Kurt Tibbetts:** Thank you.

I beg to nominate Ms. Edna M. Moyle to be the Speaker of this Legislative Assembly.

**Miss Lucille D. Seymour:** I beg to second the nomination.

**The Chairman:** Thank you.

Are there any more nominations?

The Second Elected Member for West Bay.

**Mr. Rolston M. Anglin:** Thank you.

I beg to move the nomination of Miss Deborah I. Ebanks for Speaker of the Legislative Assembly.

**The Chairman:** Thank you.

Is there a Seconder?

**Capt. A. Eugene Ebanks:** I beg to second the nomination.

**The Chairman:** First, let me call on the Elected Member for North Side as to whether she accepts the nomination.

**Ms. Edna M. Moyle:** I am honoured to accept.

**The Chairman:** Thank you.

I presume nominations that came for Miss Deborah Ebanks have been confirmed.

**Mr. Rolston M. Anglin:** Yes, Mr. Chairman.

**The Chairman:** Honourable Members we have two names, thus we shall have a Ballot.

In the event of a tie, as Chairman, I would exercise my right to a casting vote, the effect of which would be to break that tie. As Father of the House, I am required to sit in this Chair, had I the opportunity to sit in my seat I would be delighted to cast my vote for Miss Ebanks—a non-Elected Member of the House—in keeping with the majority party position that the Speaker must come from outside and my own Party's position which says that the Speaker can come from the outside or the inside of this Honourable House.

Madam Clerk, I suppose we will have a Ballot.

**The Clerk:** Proceedings will be suspended temporarily. I ask that you remain in your seats. Thank you.

#### Proceedings suspended at 10.43 am

#### Proceedings resumed at 10.55 am

**The Chairman:** For the public's information, the three Official Members will not be casting ballots on this matter.

The Serjeant can collect the ballots in the Official Ballot Box. And, of course, he will reveal to Members that the Ballot Box is empty. [pause]

Now the Serjeant will collect the Ballots which will be tallied by the Honourable First and Third Official Members.

**Hon. Donavon W. F. Ebanks:** *[reading out the Ballots]:* Ms Edna M. Moyle, JP; Ms Edna M. Moyle, JP; Ms Edna M. Moyle, JP; Ms Edna M. Moyle, JP; Ms Edna M. Moyle, JP; Ms Edna M. Moyle, JP; Ms Edna M. Moyle, JP; Ms Edna M. Moyle, JP; Ms Edna M. Moyle, JP; Miss Deborah I. Ebanks; Ms Edna M. Moyle, JP; Ms Edna M. Moyle, JP.; Miss Deborah I. Ebanks; Miss Deborah I. Ebanks.

#### Results of the Ballot

**The Chairman:** The results of the Balloting: eleven votes, Ms. Edna Moyle, JP; three votes, Miss Deborah I. Ebanks.

Ms. Edna M. Moyle, JP, is therefore the new Speaker of the Honourable House.

*[Applause]*

**The Clerk:** The Father of the House will now escort the Honourable Speaker to her Chambers where she will be administered the Oath by His Excellency the Governor.

*[Cheers and applause]*

**The Clerk:** May I ask you to remain seated please?

#### Proceedings suspended at 11.04 am

#### Proceedings resumed at 11.11 am

[Hon. Edna M. Moyle, Speaker, in the Chair]

**The Speaker:** Please be seated. The Legislature of the Cayman Islands is in session.

Before I proceed to the order of business, I crave the indulgence of this Honourable House to say a few words.

It is truly a privilege for me to take the Chair as Speaker of the Legislative Assembly on this momentous occasion. I do so with much gratitude and great pride, fully cognisant of the tremendous responsibility and authority that this position holds.

The Office of Speaker is an ancient and honourable one steeped in tradition and convention. It is an intricate feature of our system of governance; and the proper exercise of the functions of this office is critically important not only to the operations of the Legislative Assembly but, ultimately, to democracy itself. It is an awesome responsibility and a position of trust. It is the duty of the Speaker to ensure that there is fairness, decorum and decency in the Legislative Assembly and that democracy flourishes.

Democracy is not just about majority rule, it is also about minority rights. Certainly, it is the duty of the Speaker to facilitate the work of the Government and to ensure that the business of the House gets done in an efficient manner. But, importantly, it is also the duty of the Speaker to protect the rights of the minority and to insist that the voice of the Opposition in the House is not stifled. Adequate opportunity must be given to Members of the Opposition to make their points as forcefully as they deem fit within the bounds of common decency and parliamentary decorum.

Likewise, it is the duty of the Speaker to ensure that the Opposition is not handicapped or placed at a disadvantage because of the abuse of the provision which permits the Government to suspend Standing Orders and railroad through legislation without adequate notice. I take a very dim view of the practice which has grown up in this House of generally ignoring the requirement that Bills must be published at least twenty-one days before they come to House for debate and passage. I strongly encourage the new Government today to be more organised than its predecessors and endeavour to adhere to the notice requirements.

The suspension of Standing Orders is intended to be the exception and ought not to be the rule. I also intend to prepare and publish a calendar of the regular meetings of the Legislative Assembly so that everyone—legislators and the public at large—will be aware in advance of the dates of meetings and can plan their lives accordingly.

This is the start of my fourth term as an Elected Member of this Honourable House. Prior to that, I served eight years in this House as Deputy Clerk, and five years as Deputy Speaker of this Legislative Assembly. I have attended numerous parliamentary conferences and I do understand the tremendous importance of this position and the need for the Speaker not

just to be fair, but to be perceived as fair by both sides of this House. I give this House and this country my solemn undertaking that I will discharge my duties diligently, firmly and fairly.

As has been previously announced by the Leader of Government Business, this is an interim appointment. It is the intention of the Government and myself that I shall hold this office only until the completion of the Constitutional Modernisation process and that the new Constitution will provide that the Speaker must be elected from outside the membership of this House.

Regrettably, I must respond to an allegation made publicly by the Honourable Leader of the Opposition that the PPM [People's Progressive Movement] has already broken a campaign promise by my election to the Office of Speaker. It has been said that the PPM campaigned on the basis that it would appoint a speaker from outside the membership of the House, and that this was one of the key planks of our manifesto. The Government can speak for itself; but I feel I must address this issue as it relates to me personally and affects my credibility and my ability to discharge the duties of this office fairly and honourably.

We did not campaign on that basis and no such promise appears in our manifesto. What we have said is that the new Constitution should provide that the Speaker come from outside the membership of the House. This view we still maintain. However, the present Constitution permits the election of the Speaker both from within the elected membership of the House and from outside.

In anticipation of the new Constitution, an important part of my functions and duties over the course of this interim appointment will be to modernise the parliamentary practices within the House, to revise the Standing Orders, and to achieve autonomy for the Office of Speaker by separating it from the Portfolio of Internal and External Affairs. These are all important prerequisites to a modern Constitution and a modern Legislature. The achievement of these objectives requires someone with considerable experience and knowledge of these matters, and I feel I fit this position very well.

The Members of the House must be able to trust the Speaker to perform these important duties competently and fairly. In the present circumstances my colleagues have reposed their trust in me to discharge the functions of this important office, and I am deeply appreciative of their confidence in me. I will not breach that trust.

This country at this time needs healing and national unity. I pray for it each day. I am delighted therefore that Mr. Cline Glidden, the Third Elected Member for West Bay, has accepted my invitation to be the new Deputy Speaker of this House. Notwithstanding the heated election campaign and the results of the Election, I believe it is important that all districts in these Islands are recognised and accorded respect in this House. Mr. Cline Glidden has proven over the course of the last term to be a capable Deputy

Speaker, and I look forward to working with him over the coming months.

I wish to close by thanking Almighty God, my family and colleagues for their support, and the people of North Side for returning me for a fourth consecutive term by the largest majority ever. I will serve you as I have always done with humility and commitment. I have an undertaking from the Government that the district's agenda I have prepared will be addressed, and I have every confidence that North Side will receive its fair share of Government's resources and attention. It is my intention to meet with the Leader of Government Business monthly to ensure that the programmes for the district of North Side are being taken care of.

I wish God's richest blessing on our people and on this beloved country of ours—these Cayman Islands we all so dearly love and cherish.

Thank you.

*[Applause]*

#### NOMINATIONS FOR THE ELECTION OF DEPUTY SPEAKER

**The Speaker:** We shall proceed with the Order of Business for this Honourable House.

I now call for the nomination of the Deputy Speaker. The Floor is open [for nominations].

I recognise the First Elected Member for the district of George Town.

**Mr. D. Kurt Tibbetts:** Thank you, Madam Speaker, and, once again, congratulations to you.

I beg to nominate Mr. Cline Glidden Jr. to be the Deputy Speaker.

**The Speaker:** I recognise Mr. W. McKeeva Bush, First Elected Member for the district of West Bay.

**Mr. W. McKeeva Bush:** Madam Speaker, I am pleased to second the nomination.

**The Speaker:** Are there any further nominations for the position of Deputy Speaker?

If not I will ask the Third Elected Member for the district of West Bay, Mr. Cline A. Glidden, Jr., do you accept the nomination to serve as Deputy Speaker of the Legislative Assembly?

**Mr. Cline A. Glidden, Jr:** Madam Speaker, I am honoured to accept that nomination.

*[Applause from the gallery]*

#### DECLARATION OF DEPUTY SPEAKER

**The Speaker:** I now declare the Third Elected Member for the district of West Bay, Mr. Cline A. Glidden,

Jr., to be the Deputy Speaker of this Honourable House.

**The Clerk:** Nomination and election of five Ministers to Cabinet.

### NOMINATION AND ELECTION OF FIVE MINISTERS TO CABINET

**The Speaker:** The next item is nomination and election of five Ministers to Cabinet.

The procedure for this item is laid down under section 5 of the Constitution of the Cayman Islands, and under Standing Order 5 of the Orders of the House which govern the proceedings. The Chair proposes, subject to their being no objection from Members, to appoint the Temporary First Official Member and the Third Official Member as scrutineers for the Ballot.

Honourable Members, before I call for nominations to the Cabinet, I crave the indulgence of members of the public gallery.

I am aware that the General Election, the outcome of which we witnessed on the 11<sup>th</sup> of this month, is being eagerly celebrated. The results of this election are also eagerly awaited (that is, the election of the five Ministers to Cabinet). However, I must ask that everyone refrain from any comments, sounds or other expressions of jubilation or disappointment. I caution you that this is a very serious matter, and the process can be more fluid if members of the general public desist from any manner of audible expression. I can assure you that at the appropriate time an opportunity will be given for you to manifest your agreement.

I shall now call for nominations to the [Cabinet] by voice. Each nomination will require a Mover and a Seconder. I should say at this time that the names of Honourable Members will be used rather than districts. Members are aware that normally in this Honourable House you are referred to by districts, for example, as "the First Elected Member for George Town," or "the Second" or "the Third". However, on this occasion, for clarity we will refer to Members by name for clarity. This will avoid any misunderstanding by the general public.

The Floor is now open for nomination for Members to the Cabinet.

I recognise Mrs. Juliana O'Connor-Connolly, the First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

It gives me great pleasure to nominate my friend and colleague, Mr. Moses I. Kirkconnell.

**The Speaker:** Mr. McKeeva Bush, First Elected Member for the district of West Bay.

**Mr. W. McKeeva Bush:** Madam Speaker, I am pleased to second the nomination.

**The Speaker:** Mr. Moses Kirkconnell, do you accept the nomination?

**Mr. Moses I. Kirkconnell:** Madam Speaker, I have to decline.

**The Speaker:** Are there any further nominations?  
Mr. Moses I. Kirkconnell.

**Mr. Moses I. Kirkconnell:** Madam Speaker, I beg to nominate Mr. D. Kurt Tibbetts.

**The Speaker:** Is there a Seconder?  
Mr. V. Arden Mclean for the district of East End.

**Mr. V. Arden McLean:** Thank you, Madam Speaker. I beg to second the nomination.

**The Speaker:** Mr. D. Kurt Tibbetts, do you accept the nomination?

**Mr. D. Kurt Tibbetts:** Thank you, Madam Speaker. I certainly am pleased to accept that nomination.

**The Speaker:** Are there any further nominations?  
I recognise Mr. Charles E. Clifford, from the district of Bodden Town.

**Mr. Charles E. Clifford:** Madam Speaker, I beg to nominate Mr. Vincent Arden McLean.

**The Speaker:** Do we have a Seconder?  
Mr. Anthony S. Eden from the district of Bodden Town.

**Mr. Anthony S. Eden:** Madam Speaker, I would like to second that nomination.

**The Speaker:** Mr. V. Arden McLean, do you accept the nomination?

**Mr. V. Arden McLean:** Madam Speaker, I am honoured to accept the nomination.

**The Speaker:** Are there any further nominations?  
I recognise Miss Lucille D. Seymour from the district of George Town.

**Miss Lucille D. Seymour:** Madam Speaker, I beg to nominate Mr. Alden McLaughlin.

**The Speaker:** Do we have a Seconder?  
I recognise Mr. D. Kurt Tibbetts of George Town.

**Mr. D. Kurt Tibbetts:** Madam Speaker, I am pleased to second the nomination.

**The Speaker:** Mr. Alden M. McLaughlin, Jr., do you accept the nomination?

**Mr Alden M. McLaughlin, Jr:** Madam Speaker, I delighted to accept the nomination.

**The Speaker:** Are there any further nominations?  
I recognise Mr. Osbourne V. Bodden of the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker. I beg to nominate Mr. Anthony S. Eden.

**The Speaker:** Do we have a Seconder?  
I recognise Mr. V. Arden McLean of the district of East End.

**Mr. V. Arden McLean:** Madam Speaker, I am honoured to second the nomination of Mr. Anthony S. Eden.

**The Speaker:** Mr. Eden, do you accept the nomination?

**Mr. Anthony S. Eden:** Yes, Madam Speaker, I accept the nomination.

**The Speaker:** Are there any further nominations?  
I recognise Mr. W. Alfonso Wright from the district of George Town.

**Mr. W. Alfonso Wright:** Madam Speaker, I beg to nominate Mr. Charles E. Clifford.

**The Speaker:** Do we have a Seconder?

**Mr. Alden M. McLaughlin, Jr:** Madam Speaker, I beg to second the nomination.

**The Speaker:** Mr. Charles E. Clifford, do you accept the nomination?

**Mr. Charles E. Clifford:** Madam Speaker, I am honoured to accept the nomination.

**The Speaker:** Are there any further nominations?  
If there are no further nominations I must inform this Honourable House that all Members have accepted other than Mr. Moses I. Kirkconnell, who declined. I do not think it is necessary to prepare a Ballot Box in this instance, so I declare, Mr. D. Kurt Tibbetts, Mr. Alden M. McLaughlin, Jr., Mr. Anthony S. Eden, Mr. Charles E. Clifford and Mr. V. Arden McLean, the five Ministers of Cabinet who were duly nominated, seconded and I now invite them to take their seats.

[Applause]

**Motion to Suspend Proceedings to Await the Arrival of His Excellency the Governor to Present the Instruments of Appointment to the Leader of Government Business and the Leader of the Opposition**

**The Speaker:** I call on the Honourable [Temporary] First Official Member.

**Hon. Donovan W. F. Ebanks:** Thank you, Madam Speaker.

I move that this Honourable House do suspend proceedings to await the arrival of His Excellency the Governor.

**The Speaker:** The question is that this Honourable House do suspend proceedings to await the arrival of His Excellency, Mr. Bruce H. Dinwiddy, CMG, Governor of the Cayman Islands, to present the instruments of appointment to the Leader of Government Business and the Leader of the Opposition.

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

**Ayes.**

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

This Honourable House will suspend to await the arrival of His Excellency the Governor, but I would ask that you remain in your seats.

**Agreed: House Suspends to await the arrival of His Excellency the Governor.**

**The Clerk:** You may be seated.

**Proceedings suspended at 11.32 am**

**Proceedings resumed at 11.38 am**

**PROCESSION**

*The Serjeant-At-Arms  
The Honourable Speaker  
His Excellency the Governor  
Aide de Campe*

**INVITATION BY  
THE HONOURABLE SPEAKER**

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

I now invite His Excellency the Governor to present the Instruments of Appointment to the Leader of Government Business and the Leader of the Opposition.

**The Clerk:** Presentation of Instruments of Appointment of Leader of Government Business and Leader



of the Opposition by His Excellency Mr. Bruce H. Dinwiddy, CMG.

### APPOINTMENT OF LEADER OF GOVERNMENT BUSINESS

**His Excellency the Governor:** To the Honourable Darwin Kurt Tibbetts, JP, in exercise of the powers conferred upon me by subsection 1 of section 5A of the Cayman Islands Constitution Orders 1972 to 2003, and of all other powers in that regard enabling, I, Bruce H. Dinwiddy, CMG, Governor of the Cayman Islands, do hereby, by this instrument given under my hand and the public seal, appoint you the Honourable Darwin Kurt Tibbetts, JP, to be the Leader of Government Business with effect from the 18<sup>th</sup> day of May 2005.

*[Applause]*

### APPOINTMENT OF LEADER OF THE OPPOSITION

**His Excellency the Governor:** To the Honourable William McKeeva Bush, OBE, JP, in exercise of the powers conferred upon me by subsection 1 of section 24A of the Cayman Islands Constitution Orders 1972 to 2003, and of all other powers in that regard enabling, I, Bruce H. Dinwiddy, CMG, Governor of the Cayman Islands, do hereby, by this instrument given under my hand and the public seal, appoint you the Honourable William McKeeva Bush, OBE, JP, to be the Leader of Opposition with effect from the 18<sup>th</sup> day of May 2005.

*[Applause]*

### Suspension of Proceedings

**The Speaker:** Please be seated.

The Opposition will take their seats. I would like to congratulate the Honourable Leader of Government Business and the Honourable Leader of the Opposition on your appointments and as Speaker I look forward to working with both of you.

At this time I propose to take a suspension of fifteen minutes. All those in favour, please say Aye. Those against, No.

**Ayes.**

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

**Agreed: House Suspended for Fifteen Minutes.**

**Proceedings suspended at 11.42 am**

**Proceedings resumed at 12.04 pm**

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

**The Clerk:** Nominations and election of Members to the Standing Public Accounts Committee.

### NOMINATIONS AND ELECTION OF MEMBERS TO THE STANDING PUBLIC ACCOUNTS COMMITTEE

**The Speaker:** The next order of business is nomination of Members to the Standing Public Accounts Committee. This is a Standing Committee that exists under Standing Order 77; therefore there is no need for a motion to establish the Committee.

First of all, I will ask the Honourable Temporary First Official Member to read the terms of reference of the Standing Public Accounts Committee. However, before I call on the Honourable Temporary First Official Member, I would like to recognise Mr. Donovan W. F. Ebanks, as it appears on the program it would have been Mr. Colin Ross filling in today.

The Honourable Temporary First Official Member.

**Hon. Donovan W. F. Ebanks:** Thank you, Madam Speaker.

Let me first of all, as a North Sider at heart if no longer by residence, take the opportunity to congratulate you on your appointment today. You are eminently suited and qualified for this role and it is most fitting that you have finally attained it. I am sure you will do North Side and, indeed, the Cayman Islands extremely proud.

Standing Order 77 deals with the terms of reference for the Public Accounts Committee. It reads as follows: **"77. (1) There shall be a standing select committee, to be styled the Public Accounts Committee, to consider reports of the Auditor General—**

**"(a) on the accounts of the Government;**

**"(b) on such other accounts required to be laid before the House as the committee may think fit; and**

**"(c) on any matter incidental to the performance of his duties or the exercise of his powers as the committee may think fit.**

**"(2) The Public Accounts Committee shall be nominated by the House at the beginning of a new session following a general election and shall consist of five elected Members. The quorum shall be three Members, including the chairman.**

**"(3) Upon its receipt by the Presiding Officer, a report mentioned in paragraph (1) shall be deemed to have been referred by the House to the Public Accounts Committee for consideration and shall forthwith be distributed on a confidential basis to all Members."**

Madam Speaker, that covers the terms of reference. There are other sections pertaining to the operational side, but what I have read effectively covers the terms of reference.

**The Speaker:** Thank you, Honourable Temporary First Official Member.

At this time I will call for nominations to the Standing Public Accounts Committee. The committee is comprised of five Members.

I recognise the First Elected Member [for West Bay], the Honourable Leader of the Opposition, Mr. W. McKeeva Bush.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

I move to nominate the Second Elected Member from West Bay, Mr. Rolston M. Anglin, to be Chairman.

**The Speaker:** Honourable leader of the Opposition, I accept your nomination. However, if we refer to Standing Orders, the Speaker has the right to put in place a Chairman and, if not, then the Committee would do it. Therefore, I accept the nomination of Mr. Rolston M. Anglin, the Second Elected Member [for West Bay], to serve as a Member of the Committee.

Could we have a Seconder please?

**Mr. Cline A. Glidden, Jr.:** Madam Speaker, I beg to second the nomination.

**The Speaker:** Mr. Anglin, do you accept the nomination to serve as a Member of the Public Accounts Committee?

**Mr. Rolston M. Anglin:** Madam Speaker, I would be honoured to accept that nomination.

**The Speaker:** Thank you. Are there any further nominations?

I recognise Honourable Alden M. McLaughlin, Jr., the Second Elected Member for the district of George Town.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, I have a number of persons to nominate on behalf of the Government to this important committee. If I could have a moment to explain to the Honourable House and the public, the basis on which these nominations are being made.

**The Speaker:** Go ahead.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, before and during the campaign, we spoke about the importance of the Public Accounts Committee as a watchdog of the Government's finances. We have repeatedly made the case that in order for the Opposition to carry out its important function as a check and balance on the Executive, it is important that they have the ability to scrutinise Government accounts and to report to this Honourable House in due course on the state of those accounts.

We intend to honour that campaign promise and our proposal will be that in relation to the accounts of this Government that the Opposition will have control of Public Accounts Committee and will also chair that committee.

Madam Speaker, we do have some unfinished business in relation to the outgoing Government's accounts. The most recent Report of the Auditor General on the Financial Statements of the Government of the Cayman Islands is for the six month period ended 30 June 2003. So there are outstanding reports for 2003 to 2004, and 2004 to present.

I am careful to say that that observation is not intended as a criticism of the work of the past Public Accounts Committee at all, it simply takes time to have these matters concluded.

The work in relation to the accounts of this Government just sworn in would not commence until the end of the next fiscal year, which is 30 June 2006. It would therefore be improper, in our view, for the Public Accounts Committee (which is nominated and elected today) to comprise a majority of Members of the outgoing Government because that would require them to scrutinise their own accounts and to present to this Honourable House a report based on that scrutiny.

So, the Members nominated today by the Government will include two Members of the Opposition, three Members of the Government Bench, and the Committee will be chaired by a Government Back Bench Member until the reports are concluded in relation to the periods of 1 July 2003 to 30 June 2004 and 1 July 2004 to present.

It is the intention of this Government to encourage the Public Accounts Committee to complete its work on the past Government's accounts within the course of the next twelve months in good time to be able to hand over the reigns of the Public Accounts Committee to the Opposition, so that they can carry out their critical important function of acting as a watchdog on the accounts of this Government.

So with those words of explanation I propose, on behalf of the Government, the following Members to be nominated to the Standing Public Accounts Committee: Mr. Osbourne Bodden (and it is proposed that he be the Chairman); Mr. Alfonso Wright; Mr. Rolston Anglin; Mr. Cline Glidden Jr. and Mr. Moses Kirkconnell.

Mr. Rolston Anglin has already been duly nominated and seconded so I need only proceed with the nomination in relation to the other four, and I so move.

**The Speaker:** Do the nominees, Mr. Cline Glidden Jr., Mr. Osbourne Bodden, Mr. Moses Kirkconnell and Mr. Alfonso Wright accept the nomination to serve on the Public Accounts Committee?

Are there any further nominations?

I did ask if they accepted the nomination and they all said yes. As it came from a Government Minister, it does not have to be seconded.

### DECLARATION OF MEMBERS OF STANDING PUBLIC ACCOUNTS COMMITTEE

**The Speaker:** There being no further nominations, I declare the following as Members of the Standing Public Accounts Committee:

1. Mr. Osbourne V. Bodden
2. Mr. W. Alfonso Wright
3. Mr. Moses I. Kirkconnell
4. Mr. Rolston M. Anglin
5. Mr. Cline A. Glidden Jr.

In accordance with the provisions of Standing Order 72 I nominate Mr. Osbourne V. Bodden to be the Chairman of the Public Accounts Committee.

**The Clerk:** Nominations and election of Members to the Standing Register of Interests Committee.

**The Speaker:** Before I go on to that item, Mr. Rolston M. Anglin caught my eye with a question.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

By way of clarity in regard to the explanation that the Honourable Minister just provided to the House, is it then suggested that any special reports that the Auditor General may carry out within this twelve months that have to do with activities that took place under the new Government, that those would be left until the Opposition takes the Chairmanship?

**The Speaker:** Yes, that is my understanding. Honourable Minister?

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, I do not want to get into the details of which reports are outstanding and which are not because I have not been apprised of all of those. What I can assure the—

*[Inaudible interjection]*

**The Speaker:** Honourable Minister if you would take your seat, I will explain what I understand from the question coming from the Member of the Opposition.

If, within the first twelve months before we are able to deal with the outgoing Government's account, there is a Special Report on the new Government, will that report be left for the new Public Accounts Committee to deal with?

**Hon. Alden M. McLaughlin, Jr.:** Absolutely, Madam Speaker. I am sorry, I did not understand the question that way.

Our view and position is that the Public Accounts Committee should be under control of the Op-

position in relation to the scrutiny of this Government's accounts and activities.

**The Clerk:** Nominations for election of Members to the Standing Register of Interests Committee.

### NOMINATIONS FOR ELECTION OF MEMBERS TO THE STANDING REGISTER OF INTERESTS COMMITTEE

**The Speaker:** The next order of business is the nomination of Members to the Standing Register of Interest Committee. This is a Standing Committee that exists under Standing Order 76; therefore there is no need for a motion to establish the Committee.

First I would like to ask the Honourable Temporary First Official Member to read the terms of reference of the Standing Register of Interest Committee.

**Hon. Donovan W. F. Ebanks:** The terms of reference for the Standing Register of Interest Committee are as follows. For the sake of clarity it is covered under Standing Order 76. **"76. (1) There shall be a standing select committee to be styled the Register of Interests Committee for the consideration of matters relating to the Register of Interests referred to it by the Registrar of Interests.**

**"(2) The Committee shall consist of nine Members including the Chairman all of whom shall be nominated by the House at the beginning of a new session following a General Election.**

**"(3) The quorum of the committee shall be five Members including the chairman.**

**"(4) There shall be a Registrar of Interests who shall keep a Register of Interests in accordance with the Register of Interests Law, 1996."**

**The Speaker:** Thank you, Honourable Member.

I shall now take nominations for the Standing Register of Interests Committee. The Committee comprises nine Members.

I recognise the Honourable Anthony Eden.

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

I beg to nominate the following Honourable Members for election to the Standing Register of Interests Committee: Capt. A. Eugene Ebanks; Mr. Cline Glidden, Jr., Mr. Rolston Anglin, Mr. McKeeva Bush, OBE, JP, Mr. Moses Kirkconnell, Miss Lucille Seymour, Mr. Alfonso Wright, Mr. Osbourne Bodden, Mrs. Juliana O'Connor-Connolly, JP, and I request that she be appointed Chairman.

**The Speaker:** Do the nominees, as read out by the Honourable Anthony Eden, accept the nomination?

There being no further nominations, I declare the following persons Members of the Standing Register of Interests Committee.

1. Mrs. Juliana Y. O'Connor-Connolly

2. Mr. Osbourne V. Bodden
3. Mr. W. Alfonso Wright
4. Miss Lucille D. Seymour, BEM
5. Mr. Moses I. Kirkconnell
6. Mr. W. McKeeva Bush, OBE, JP
7. Mr. Rolston M. Anglin
8. Mr. Cline A. Glidden, Jr.
9. Capt. A. Eugene Ebanks

In accordance with the provisions of Standing Order 72 I nominate Mrs. Juliana Y. O'Connor-Connolly to be the Chairman of the Committee.

Do you accept?

**Mrs. Juliana O'Connor-Connolly:** I willingly accept, Madam Speaker.

Madam Clerk, the next order of business.

**The Clerk:** Government Motion No.1: Appointment of the Standing Business Committee.

## GOVERNMENT BUSINESS

### MOTIONS

#### Government Motion No. 1

##### Appointment of the Standing Business Committee

**The Speaker:** The Honourable Temporary First Official Member.

**Hon. Donovan W. F. Ebanks:** Thank you, Madam Speaker. Government Motion No. 1 reads as follows:

**BE IT RESOLVED THAT, in accordance with the provisions of Standing Order 79, this House appoints a Standing Business Committee charged with deciding the order of business of the House and, in particular –**

- (a) to consider the Business Papers of the House;
- (b) to decide and inform the Clerk the order in which Private Members' Motions are to be debated on;
- (c) to decide and to inform the Clerk two clear days before a Question Day the questions to be put down for reply on the Order Paper for that Question Day;
- (d) to provide a ready means of consultation between Members who are not Members of the Cabinet, and the Leader of Government Business, the Leader of the Opposition, the Presiding Officer and the Clerk;
- (e) to select a Member to read Prayers on each day of a Meeting of the House other than the State Opening Meeting;

(f) to inform the Clerk the order in which Bills shall be set down upon the Order Paper;

**AND BE IT FURTHER RESOLVED THAT the Standing Business Committee shall comprise five Elected Members;**

**AND BE IT FURTHER RESOLVED THAT the quorum for the Committee shall be three Members of the Committee including the Chairman and that the Committee shall meet at such times as called by the Chairman.**

Thank you, Madam Speaker.

**The Speaker:** Thank you, Honourable Member.

The question is that Government Motion No. 1 be accepted. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Government Motion No. 1 passed.**

**The Speaker:** I will now call for nomination to the Standing Business Committee. Five Members comprise the membership of this Committee.

I recognise Mr. Charles Clifford.

**Hon. Charles E. Clifford:** Madam Speaker, I beg to nominate the following Members for election to the Standing Business Committee:

1. Honourable D. Kurt Tibbetts, JP,
2. Honourable Alden M. McLaughlin, Jr.
3. Honourable W. McKeeva Bush, OBE, JP
4. Mrs. Juliana Y. O'Connor-Connolly
5. Honourable V. Arden McLean

#### Declaration

**The Speaker:** Are there any further nominations?

If there are no further nominations I declare the following Members to be the Members of the Standing Business Committee. Honourable D. Kurt Tibbetts; Honourable Alden M. McLaughlin, Jr.; Honourable W. McKeeva Bush, OBE, JP; Honourable Arden McLean and Mrs. Juliana O'Connor-Connolly.

Do those Members accept the nomination?

In accordance with the provisions of Standing Order 72, I nominate the Honourable D. Kurt Tibbetts to be the Chairman of the Standing Business Committee.

**The Clerk:** Government Motion No. 2, Appointment of the Standing House Committee.

## Government Motion No. 2

### Appointment of Standing House Committee

**The Speaker:** The next order of business, Government Motion No. 2. I call on the Honourable Temporary First Official Member.

**Hon. Donovan W. F. Ebanks:** Thank You, Madam Speaker. Government Motion No. 2 for the appointment of the Standing House Committee reads:

**BE IT RESOLVED THAT, in accordance with the provisions of Standing Order 79, this House appoints a Standing House Committee charged with the duty to make recommendations to the House in respect of –**

- (a) matters affecting the working conditions, comfort and facilities for Members during Meetings of the House;
- (b) matters affecting the working conditions, comfort and facilities for the officers of the House;
- (c) the operation and maintenance of the library of the House and the provision of research facilities;
- (d) the maintenance, upkeep, furnishing and equipment of the Legislative building and its precincts;

**AND BE IT FURTHER RESOLVED THAT the Standing House Committee shall comprise five Elected Members, one of whom shall be elected by the Members of the Committee as Chairman and one as Deputy Chairman;**

**AND BE IT FURTHER RESOLVED THAT the quorum for the Committee shall be three Members of the Committee including the Chairman or the Deputy Chairman.**

Thank you, Madam Speaker.

**The Speaker:** Thank you, Honourable Member.

Government Motion No. 2 has been duly moved. The question is that the Motion of the terms of reference of the Standing House Committee be accepted. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Government Motion No. 2 passed.**

**The Speaker:** I will now call for nomination for the Standing House Committee. Five Members comprise the membership of this Committee.

I recognise Hon. Charles Clifford.

**Hon. Charles E. Clifford:** Madam Speaker, I beg to nominate the following Members for election to the Standing House Committee:

1. Mr. W. Alfonso Wright
2. Miss Lucille D. Seymour, BEM
3. Mr. Osbourne V. Bodden
4. Honourable W. McKeeva Bush, OBE, JP
5. Capt. A. Eugene Ebanks

### Declaration

**The Speaker:** Are there other nomination?

If there are no further nominations the question is, do the nominees; Mr. Alfonso Wright; Miss Lucille Seymour; Mr. Osbourne Bodden; Honourable W. McKeeva Bush; and Capt. Eugene Ebanks accept the nomination?

There being no further nominations I declare the following Members to be the Members of the Standing House Committee: Mr. Alfonso Wright; Miss Lucille Seymour; Mr. Osbourne Bodden; Honourable W. McKeeva Bush; and Capt. A. Eugene Ebanks.

In accordance with the provisions of Standing Order 72 I nominate Mr. Alfonso Wright to be the Chairman of the Standing House Committee.

Madam Clerk, the next item.

**The Clerk:** Government Motion No. 3, Appointment of the Standing Select Committee on Privileges.

## Government Motion No. 3

### Appointment of the Standing Select Committee on Privileges

**The Speaker:** I call on the Honourable Temporary First Official Member.

**Hon. Donovan W. F. Ebanks:** Government Motion No. 3 with the Appointment of the Standing Select Committee on Privileges.

**WHEREAS Standing Order 79 provides that this Honourable House may appoint other standing select committees as required from among its Members;**

**AND WHEREAS on the 19<sup>th</sup> day of March 1998 this Honourable House established the Standing Select Committee on Privileges by way of Private Member's Motion No. 3/98;**

**BE IT THEREFORE RESOLVED THAT, in accordance with the provisions of Standing Order 79, this House appoints a Standing Select Committee of Privileges to consider and report to the House on any matter affecting the privileges of this Honourable House;**

**AND BE IT FURTHER RESOLVED THAT the Committee comprise all Honourable Members of this Legislative Assembly, the Chairman being elected from among the Committee Members;**

**AND BE IT FURTHER RESOLVED THAT the Committee shall elect a Deputy Chairman from among the Committee Members who shall act as**

**Chairman of the Committee during the absence of the Chairman;**

**AND BE IT FURTHER RESOLVED THAT the Legislative Assembly amend Standing Orders and the Legislative Assembly (Immunities, Powers and Privileges) Law (24 of 1965) (1996 Revision) where necessary, in compliance with section 45 of the Cayman Islands (Constitution) Order, to address all matters regarding parliamentary privileges at the earliest convenience.**

Finally, Madam Speaker, I would respectfully recommend that you Chair this Committee.

**The Speaker:** Thank you, Honourable Member.

The question is that Government Motion No. 3 be accepted and that the Speaker of the Legislative Assembly be the Chairman of that Committee, be accepted and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Government Motion No. 3 passed.**

**The Speaker:** I call on the Honourable Leader of Government Business to move the adjournment of this Honourable House. When he has moved the adjournment, I will allow each Member a ten minute period to make a brief statement seeing we have just come out of a General Election and taken our seats in the Legislative Assembly.

The Honourable Leader of Government Business.

## ADJOURNMENT

**Hon. D. Kurt Tibbetts:** Madam Speaker, I move the adjournment of this Honourable House *sine die*.

**The Speaker:** The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker, for allowing Members to say a few words on conclusion of this Meeting.

Let me first of all, offer sincere congratulations to you, Madam Speaker, on your appointment, even though it is intended to be an interim measure. While the Opposition has chimed on broken promises, the fact is, not only was it the correct decision but it was the right thing to do. I am confident that your relatively short stay in the Chair will allow for the necessary legislative and administrative reforms to be achieved and also give us time to identify and train an individual from outside the Elected Membership of this Legislative Assembly.

The country must understand we have not changed our position, in fact, quite the contrary. We

will ensure that a new Constitution approved by the people of this country includes provisions for the appointment of the Speaker to be made of individuals who are not Elected Members of the Legislative Assembly.

Madam Speaker, on behalf of the People's Progressive Movement [PPM] and the vast majority of the people who we now represent, I stand before you willing and ready to perform my duties as Leader of Government Business.

I wish to sincerely thank everyone for the resounding vote of confidence they have expressed in me personally and in the PPM's team of Ministers and Members of the Legislative Assembly who will conduct the Government's business in an efficient and effective manner.

I pledge before God, all of my elected colleagues, and the people of these Islands, that I shall do all within my power to uphold the rules and regulations of this Honourable Chamber and to renew the sacred trust between the elected representatives and the people who elected them.

Let me quickly reiterate the messages expounded throughout the recently completed campaign and which are enshrined in our PPM Manifesto. We shall always keep our eyes on our vision for this nation and we will relentlessly pursue the national issues identified by the people of the Cayman Islands. Within recent years the Cayman Islands as a nation has reached a level of political maturity which we hope will avoid the mistakes of the past.

We now have a government with a national vision, with a philosophy and culture that were developed by the people themselves. Then on 11 May 2005 we were given a mandate to start the process of translating that vision into reality. We shall therefore implement our policy of inclusion and ensure that there is equal opportunity for all the people of these Islands to access and enjoy the many benefits that are derived from working and living here.

This applies, Madam Speaker, to the people of North Side, East End, Bodden Town, George Town, West Bay and Cayman Brac and Little Cayman without exception. It includes citizens who are Caymanian born as well as what we call the 'New Caymanians'. It relates to ordinary Caymanians as well as those who we may call affluent. It transcends age as well as gender and it especially includes the young people of these Cayman Islands.

Madam Speaker, I wish to personally assure the people of the district of North Side—your district—that they need not have any misgivings about the level of representation which they will receive. They know you well, and they know that our agenda for the eastern districts will be pursued vigorously. I know that you will stand for nothing less.

Cayman Brac and Little Cayman have one of their representatives who have joined the team. Preliminary discussions indicate exciting times ahead in Cayman Brac and Little Cayman. As the Minister who

will have responsibility for district administration, I will be visiting monthly and I give my pledge to work closely with both of the elected representatives and the District Commissioner and his staff.

I want to assure the good people of the district of West Bay who exercised their right to vote for the individual or party of their choice on 11 May 2005, that they will not be forgotten or neglected even though they may not have a PPM representative in the Legislative Assembly. They will indeed form part of our national agenda, notwithstanding the fact that their representatives are in the Opposition. I give every assurance that we will work closely with the representatives from West Bay to meet the needs of their constituents.

As is our custom, we will not be distracted by rumours and unfounded accusations, but it would be remiss of me if I did not take this opportunity at the beginning of our first term in office, before the dust is settled, to assure the nation that there will be no witch hunt under my leadership in the Cayman Islands. There is no time for that.

Madam Speaker, rumours also abound about our position on the now infamous status issue. From the very beginning we argued against the process because we were convinced then, as we are now, that the process itself was wrong. Not only was it not fair to the Caymanian people, but it was also very unfair to the many long-term residents who were not considered at that time. There is a new Immigration Law in place now and the process is established for their natural integration in to the Caymanian Society. We do not believe that Cabinet should have the ability to grant irrevocable status *en masse* and we are going to move swiftly to amend the legislation to correct that.

Throughout the campaign our opposition made claims in certain quarters that if people voted for the PPM—and for me in particular—their status was going to be taken away and they would be sent back home. Nothing could be further from the truth. The PPM is an organisation of inclusion. Decent law-abiding residents who continue to help us to build this country will be embraced. All we say is that our Caymanian people must share in the rewards and we are going to do everything that we possibly can as a government to prepare them to that end. Thank God, not many people listened to the campaign propaganda. Here in George Town the four PPM candidates led every one of the 13 ballot boxes when the votes were counted. This included the postal ballots.

The residents and the citizens of this country know me. They know what I stand for and they know what I will and will not do. They have proven that consistently in the past three elections. It is interesting to note . . . and I was really pondering whether I should say this but I was not really instructed but I was encouraged to do so, Madam Speaker . . . But it is interesting to note that in those three elections, in the district of George Town I led every ballot box in the counting. That means the voters from all quarters had confidence in Kurt Tibbetts. All these were very hum-

bling experiences for me. I now call on all of those people to assist in dispelling those unfounded rumours. They know that I would never participate in creating division in this country. You know what I know? The people who make up these three Islands are well aware of what is right and what is wrong. They only want what is fair and what is just. This Administration is going to deliver that.

I want to assure the private sector that we recognise the economy as the engine of our society. We shall therefore give maximum support to our major industries—tourism and financial services—and all the ancillary services that are related to them. We also value highly the role of the public sector as the administrative branch of government. Without the expertise and commitment of our civil servants the conditions for economic growth and the social wellbeing of our nation would not be possible. I wish to assure our many civil servants today, that the new administration—the PPM administration—will respect their right to carry out their duties in a non-partisan and professional manner.

Indeed, the Government would welcome a closer working relationship with both the private and the public sectors. We shall, in a matter of weeks if not days, make the first move towards establishing a social partnership within which fundamental issues can be discussed and addressed in an environment that is conducive to cooperation rather than conflict.

In keeping with the principle of continuity, the new administration will respect those legitimate and bona fide agreements reached by the outgoing administration. Hence there will be no indiscriminate closing down of projects just for the sake of asserting our authority.

I want to close by stressing that this Government will be a government of reconciliation and unity. It will be a government of openness and transparency. It will be a government of laws, of rules and regulations. It will be a government of justice and fair play. When necessary it will be firm but fair. It will be a government of consultation and participation. It will be a government of the people, by the people and for the people. All this is part of the new culture of governance that we have highlighted in our manifesto and we have explained throughout the campaign.

We have chosen to be this sort of government, not just because we, the Members of the Legislative Assembly, say so, but because the people of this country have told us that this is the kind of government they want. Indeed, any observer of political development in the Cayman Islands in recent months would have noticed that there has been a fundamental change in the climate of public opinion. That change is best summed up in the following passage from a book called *Your Right to Know*. With your permission I quote: **“Openness is fundamental to the political health of any nation state. Unnecessary secrecy in government leads to arrogance, bad governance and defective decision making. The perception of**

**excessive secrecy has become a corrosive influence in the decline of public confidence in government. Moreover the climate of public opinion has changed. People expect much greater openness and accountability from government than they used to."**

In conclusion, I wish to thank you sincerely once again. I wish to thank all the Members of this Legislative Assembly, all the voters in all the districts of the Cayman Islands and those who have worked in the electoral process, our law enforcement and security officers. I also would like to thank the many volunteers who have worked like titans throughout the campaign and all of those who have contributed in one way or another to the historic elections which took place on 11 May 2005.

We ask God's guidance and wisdom and we ask for your continued support as we carry out our assessments and prepare for the challenge of implementing our manifesto and putting the Cayman Islands back on its feet again.

May God bless us all, Madam Speaker, and may God richly bless these Cayman Islands.

Thank you.

**The Speaker:** The Honourable Leader of the Opposition. Mr. McKeeva Bush.

**Hon W McKeeva Bush:** Thank you very much Madam Speaker.

Last week Wednesday was both heartening and humbling. I believe that there is a God, a Superior Being; one that has guided me throughout my 50 years of life and has blessed my endeavours. God does all things right. It is heartening because this good country of ours held another successful and peaceful exercise in democracy, where people went to the polls and exercised the freedom to select those who will lead us over the next four years; a freedom that many in the world are routinely denied and one where we exercise the kind of character that makes the people who live here in these three small Islands so special and still so admired in this world in which we live. Yes, last week was both heartening and humbling.

Madam Speaker, I do not intend to spend my time reflecting on the past and wishing that things were different, but stand in this Honourable House with the conviction that my work and the work of my colleagues will show us to be truly loyal members of the Opposition. I believe that is what this country wants.

Last week Wednesday in my constituency in West Bay and in the constituency of Cayman Brac and Little Cayman backed by friends, neighbours, teachers and drivers, clerks, constructions workers, ordinary men and women, the Democratic United Party received the greatest message and the greatest gift of all—a renewal of their trust in us to represent them.

By backing all four of our West Bay members and Mrs. O'Connor-Connolly, these people told us to continue that journey which we had begun; to continue putting our country on a sounder footing so that it would withstand anything man or Mother Nature could ever throw at us.

This is the seventh election that I have fought and I am only 50 years old. Therefore, there are six that I have won and there are five that the people said you take with you those with whom you can work. They sent us to this term together to work for the betterment for the constituency of West Bay and indeed our Islands.

Thus last week Wednesday, the people said 'carry on'—carry on the work of rebuilding our Islands after Ivan. Carry on promoting, protecting and advancing our Islands, to keep our tourism and our financial industries healthy and to keep providing the vision that will help them find the way forward.

As I stand here, I cannot but reflect on the day we met after the hurricane, the first time that we met in these hallowed Halls. I cannot but reflect on when I left my doors on that Monday morning and what I faced, as I felt many more people were feeling worse. However, when I came through to George Town, I said never in a thousand years would I have believed that this could have happened to us and that we would now have to face that challenge. I look around today and regardless of the heap of criticism and accusation that were laid on us; this country is in a better position today.

I say that Members of the Government did work, but, by God, Members of the [previous] Government put this thing back together and if we did not work with the private sector we could never have gotten it done. The point is that we worked together and we have been working together. I say, thank God Almighty that this country is where we are at today. People are still in need, there are people still sleeping on their floors and the funds that were set up have assisted many, many people; and the funds that were given by those people—new Caymanians and old Caymanians—have done us so much good. I look to where we are at today, where the international world is saying we could not believe, when we saw you in September and October, that you would be where you are at today. By God we have a lot for which to thank Almighty God.

We could therefore say 'Carry on.' Carry on with efforts to make our schools better, carry on to make our roads safer. Our respect for the environment renewed, and perhaps improved and unequalled in many places, and our respect for people, for each other, the core of what makes us all Caymanians. We do this for love of country. I said on the platform and I keep saying I have nowhere else to go. I could say this, *I man born yah* and I can say this, *nowhere* (in the words of the old festival song, Jamaican too), "*no where better than this yard!*"



Last week Wednesday we heard that message and know that we will never retreat, we will never return to the days when those things were only talked. We will never give up when others give up on us, and we will never give up on our people—PPM, UDP, Independents wherever they come from—who are searching for a better life for themselves, their children and their children's children. We are for them. We will continue to be their voice and their support.

Last week Wednesday was also humbling as the UDP faced a drastic political change focused in George Town and Bodden Town (and, Madam Speaker, the focus in West Bay too, but there was no change). As I said, the people have spoken and I believe my party takes its hats off to the PPM for running a very tough and successful campaign in those special places and we make no excuses for falling short of winning the seats necessary to maintain our position in the Legislature. As I said, there is a God who does all things well.

We now have a new role and a new challenge. As the loyal Opposition we will fulfil our roles and we will discharge our responsibilities faithfully and to the best of our abilities. I do not intend to walk out of this House on any vote, and I will only abstain if it is a conscience matter. I intend to be here when the roll is called.

We will bring to this new role the same energy and commitment we brought to leading the country and will make a positive contribution whenever we can and whenever we are allowed to do so by the Government. The Government faces tremendous challenges, the same as we would have had to face if we were in that seat today. Schools, education as a whole, social problems, all the things that a developing country faces but because we are so small we all know them so well. The economy, thank God, the economy today is in better shape than when we took over in 2001.

Madam Speaker, say what you will, but we have left the Government's accounts in good position. I said on the platform that the Government's accounts as of 2 May held \$82.4 million. There has been an improvement as of 13 May; there is, I think, over \$84 million in the Government's accounts.

Nobody is going to be able to say that the country is broke or bankrupt. What can be said, as I said on the platform, is that we have problems and we have bills to pay. But I thank God that we worked hard, we took the right decisions and we turned the economy around. Today the new government can move forward with at least over \$29 million in cash that they can put their hand on and in other accounts that are more restricted, over \$50 million. The Government is in good position because we were prudent and we did the right thing.

As a party we may have fewer seats but we will start again with greater hope and in the process we have learned. We will take that learning along with the impressive local leaders, whom we came to know

throughout the campaign, to forge a better party for all.

Madam Speaker, when the new Government is living up to their high standards and their goals—goals our people have come to expect from their representatives, as the Leader of Government business has said—when they are getting the job done we will applaud and support them. That is, if they stay out of West Bay. When they are not, we must and we will stand up and speak out. When promises are made, we will work to ensure they are kept because at the end of the day we all live here. Our interests, our security, our families, our children, our parents, our friends all live here together. I have nowhere else to go.

I am pleased to be able to hand over to the new Government a country that had a government who despite the challenges thrown upon it by the hurricane and other challenges we faced, a country with a government being in good condition.

World problems impacted and affected us but we are on the rebound. The tourism sector is poised to reach new levels with products geared to the upscale market; hotels geared for the upscale market—a market we have always wanted to attract—with a financial sector that has survived tremendous onslaught and defended its integrity and is poised for a new chapter of success, and, most of all for the records, set in compassion for our people over the last years. This is good economy. This is good governance.

I would say (since I was particularly mentioned by the Speaker) . . . I must say that no matter what excuse is made at this point about the constitutional provision for a Speaker inside or outside of this Honourable House, no matter what excuse is made at this point, the fact is, it is an important constitutional point and one for which the United Democratic Party was criticised severely, but one that we believe is the right one. That is, that there might come a time, and listen carefully, there might come a time when there arises the possibility you would really need someone from the outside to be the Speaker. Whether that time is when you have more Members for Cabinet seats than you can give . . . I will stop there. There are others, but I will stop there.

It seems the PPM, whether it is admitted or not, found themselves in some position. Therefore, whether in their manifesto or not it is one of the People's Progressive Movements constitutional positions, one on which your party, Madam Speaker, was adamant. We hear the excuse, but I know about forming government. We await to see what will happen whenever there is a new Constitution.

I have but one point to make at this time about the new Constitution. I have gone to the Brac and I have said to Cayman Brac and Little Cayman, and this is a new one in talking to the people of Cayman Brac and Little Cayman, that constitutional provision

must be made for a Minister for Cayman Brac and Little Cayman.

In the coming talks and the proposed referendum—if we ever get to one Mr. Leader—we in the Opposition, the United Democratic Party, will push for that Minister for Cayman Brac and Little Cayman. I think the time has come, it has grown; it needs that spotlight and that assistance all the time.

Madam Speaker, I believe that continued investor confidence must be ensured. People and corporations should be made to feel that placing their money in the Cayman Islands is a safe move as long as it complies with all of our regulatory systems.

That has been our strength and this Government has an obligation to ensure that Cayman remains a jurisdiction of choice for those shopping around for somewhere to place their investments. I believe that out of that money coming in local people must share in it from all sides—not just the big business interest in this country, but all sides.

I want to thank the people of these Islands for standing with us, for believing in us and in return they know that we are still here for them every day and every step of the way. I want to thank all my staff publicly; all loyal civil servants. I want to thank our supporters for their unstinting support; not for the United Democratic Party, but for the policies which we put forward that they believed in.

The Bible says that one that puts on his armour should not boast as he that takes it off. I pray for the people of these Islands and I promise my loyal support to the Government.

**The Speaker:** Thank you Honourable Leader of the Opposition. I have allowed the Leader of Government Business and the Honourable Leader of the Opposition equal time, but I will now call on other Members speaking that we stick to the ten minute contribution please.

I recognise Ms. Lucille Seymour, Third Elected Member for the District of George Town.

**Miss. Lucille D. Seymour:** Thank you very much Madam Speaker.

May I take this opportunity to congratulate you and to say that this has been a wonderful moment for me to see you in that Chair? I have followed your illustrious career as it has to do with this Honourable House and I know, and the public knows, that there is no other person that we could have elected that would have fitted this day.

I crave your indulgence, Madam Speaker, to speak briefly . . . but before I do that I would like to tell you that about 45,000 people would have liked to have been here today but they cannot. So they sent us and, through you, [I] say thank you to everybody for bringing us this far. The second point I would like to say on that is that at times like these, when people like me stand up to represent my country, I know that there is hope for my people. All of us in here have a

bit of me in them and come from a bit of me where I came from so I represent them too, to know that we can stand here having gone through an illustrious career as a civil servant and to come here to represent our people to ensure there is equality in the place.

I would like to thank my deceased mother, Maud Mihalia Bush Seymour, for giving me this opportunity and for the family and friends who stood by me all my life. Thank you.

Madam Speaker, I rise today in the hallowed Chamber of the Legislative Assembly to give thanks to God Almighty, the people of the Cayman Islands, to the voters of George Town and to the People's Progressive Movement for enabling me to achieve one of my greatest ambitions. That ambition has been to serve my people at the highest level of decision making and to help eradicate poverty and ignorance from the shores of the Cayman Islands.

Madam Speaker, as you know I have been an educator all my life, as a teacher and an administrator. I have tried to improve lives through education in the formal institutions of this country. At the same time I have also used informal education in sporting organisations, particularly the Cayman Islands Netball Association, and community organisations of one sort or another to get over the message. That message has always been simple: education and training are the keys to success.

If I were to say that these efforts were not successful I would be telling you an untruth. Many people, particularly young people, have benefited from such advice; but I was frustrated in my efforts to make a national impact on the twin evils of ignorance and poverty that blight the lives of so many of our people.

It was at this point that I realised that good intentions were not enough. Both political will and resources were necessary to ensure that more people had access to the Caymanian dream of peace, progress and prosperity.

Madam Speaker, you are fully aware of the thinking behind the formation of the people's campaign to establish a government that put people first. The campaign manifested itself in the launching of the People's Progressive Movement at its inaugural conference in September 2003. Since that time we have appealed to the people of the Cayman Islands for the mandate to address the issues they themselves have identified as urgent. That mandate was given to the PPM in clear and unequivocal terms at the elections on 11 May 2005. I therefore thank the people of the Cayman Islands for supporting the PPM and choosing us to carry out the aims and objectives articulated in the manifesto.

I have been energised by the overwhelming response to our messages by the people. I have also been humbled by the monumental task before us. But I believe with God's help and with the support of members of the PPM and the people of the Cayman Islands, whom we represent, no task is insurmountable. It is therefore with confidence that I rise before

the people of the Cayman Islands today to renew my pledge to be their voice in the Legislative Assembly.

I shall do all in my power to help create more education and training opportunities for all our people to improve their lives. Since our society is a competitive one, I shall advocate for the strengthening of the safety net to ensure that no one falls through to poverty and despondency. That safety net will include access to the basic necessities of life for those people who through age, disability or misfortune cannot compete successfully in the mainstream of our society.

What I am promising the people of the Cayman Islands is not pie in the sky. If there is one country in the region that can deliver on these fundamental challenges it is the Cayman Islands. We have always had the resources, now we have the political will. With God on our side and with the support of the people we shall prevail.

Thank you, and may God bless you.

**The Speaker:** Does any other Member wish to speak? I recognise the Fourth Elected Member for the District of George Town, Mr. Alfonso Wright.

**Mr. W. Alfonso Wright:** Madam Speaker, I too would like to offer my congratulations to you on your election as Speaker of this Legislative Assembly. I am indeed grateful for the opportunity to say but a few words on this most auspicious occasion. I would like to give God thanks for seeing us through the campaign safely and for his abundant blessing for helping all the candidates to be here as Members of the Legislative Assembly today.

My gratitude extends to my entire family, especially my daughter Christina and my mother, for their tremendous support from the very beginning. Also to the PPM family, many of whom are here with us today. Thank you also to the many individuals who encouraged me and gave me advice along the way. My promise to them today is that their efforts will not be in vain. My colleagues and I will deliver on our promise of good governance, our policy of inclusion and consultative management for the Cayman Islands.

I pledge to forever be mindful of the fact that it is the people who have put me here and that it is them that I must answer to. Their wishes and needs are my only directives and I will never be a part of a government that loses its way and puts the interests of individuals before the interests of the people. I will always understand and respect the responsibility that I have been entrusted with. I am aware that it is considered a major undertaking when one establishes a family and is charged with the welfare of a single household.

It is a completely different set of responsibilities and the enormity is frightening when one suddenly becomes responsible for every household in a country. This responsibility cannot be taken lightly. Madam Speaker, I am aware of the many concerns of the people of our country. The least of which is the

management of its finances. The PPM is committed to the principles of reasonable financial management. Irresponsible spending will not be tolerated. Proper value for money spent will be the order of the day. I have every confidence that the PPM Government will comply with the Public Management and Finance Law. All contracts in excess of \$100,000 will go before the Central Tenders Committee, and amounts not exceeding \$100,000 will go to Departmental Tenders Committees.

Madam Speaker, with that in mind I pledge to be the best representative that I can be; to be a voice of the young people of this country in this Parliament, making sure that their concerns are expressed and addressed by their representatives. I am proud to be a part of a government that will equip young people in all learning forums with the knowledge and skills to make a smooth transition to adulthood; to inculcate in our youth a commitment to nation building, loyalty to country, the virtues of family life, sound morals and a culture of enterprise and acceptable standards of behaviour; to place greater emphasis on vocational training beyond high school with the development of a technical and vocational institute, either as part of the University College or as a separate entity.

I am happy to be part of a government that will ensure that jobs are secured for them once they have completed their schooling; a government that will ensure that Caymanians from all walks of life are given every opportunity to advance in their chosen career once qualified. Intimidation in the workplace must be stopped.

I am proud to be a part of the PPM Government and look forward to my first term under the leadership of the Leader of Government Business, the Honourable Kurt Tibbetts, a man that is focused on the job at hand, a man that understands that team work is essential and promotes that every chance he gets. With the new Leader at the helm, the PPM has emerged as a people-centred organisation built from the bottom up with a very solid foundation. The system will not tolerate lone-ranger type leadership, but instead, encourages and assists strong consultative leaders.

Our Leader of Government Business, the Honourable Kurt Tibbetts' many years of service to his community exposed him to a code of ethics that will always cause him to remember that in building up his business it is not necessary to tear down another's, and to be loyal to his customers and true to himself. It is a code to which many of us already subscribe and one that I recommend to everyone.

The years ahead will be challenging for our country. There is much to be done. I am confident of our ability to manage the task ahead. I look forward to working along with the Members of the Opposition, always bearing in mind that they too must play a vital role.

In conclusion, I would like to express my gratitude to the 1646 individuals that voted for me. I know

that they understand and expect that I will be a representative of all the people. I beg the citizens of this country to continue to pray for us. Only by God's will, will we succeed.

I consider it a privilege and distinct honour to sit in this Honourable House as a representative of my people. I take the responsibilities I have been charged with very seriously and promise to carry them out with the greatest of respect and decorum.

I thank you, Madam Speaker.

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

I recognise the Third Elected Member for the District of Bodden Town, Mr. Osbourne Bodden.

**Mr. Osbourne V. Bodden:** Thank you Madam Speaker.

I would also like to extend my hearty congratulations to you and I know that you will sit in that chair and do the job the way that it needs to be done.

Madam Speaker, Honourable Members and staff of the Legislative Assembly, family, guests, supporters and friends, a pleasant good afternoon to you all. Today is a very special day for the Cayman Islands as it signals a change in governance from one of autocratic rule to much more of a consultative and participative approach by our leaders.

I have never been as proud to be Caymanian as I am today. I am extremely happy for my country and people who one week ago took back the leadership of this country and showed all and sundry the importance of their role as a people going forward.

I would like to first of all thank Almighty God for His guidance throughout this difficult time. Next, I would like to acknowledge the training and support given to me by my dear mother over the years as a single parent (I think she has left, but thank you Mama).

To my other caregivers, most notably, Mr. Harry McCoy, the man I affectionately call daddy who was here as well (I think he has left) I also give him a big thank you. More recently, the support of my wife Nancy and our children have also played a significant role in my being here today and for that I am grateful. To the people of Bodden Town, I say a huge thank you. You have my solemn promise as I stand here today, deeply humbled by your faith in me, that I will work hard for you and this country that we love so dearly.

Madam Speaker, it is my belief that we are at a very critical time in our development and I am sure that history will reflect this. We as a government will have the unenviable task of carrying this country forward during these trying times. We have a crisis on our hands in terms of our education and health systems. We have immigration control issues, we have had a recent upsurge in serious crime; we have spiralling costs of living and we are still rebuilding and

cleaning up from the country's largest natural disaster, Hurricane Ivan.

This is a handful for any administration, but I feel with God and our people by our side, we can accomplish much. We intend to do this with careful analysis and an approach that will be both honest and driven to succeed. Over the years, as we developed our country we have left our people behind too often. This Government will not take the people for granted and will endeavour to involve them in all areas where possible.

Caymanians must benefit first and foremost from this country's success, while at the same time being aware that they must pay their dues and work hard for this to happen. As I embark on my political career, I call on all Caymanians to stand with me and be counted. I alone and my colleagues collectively cannot make this happen. It will depend on every able-bodied individual to play his or her role in society.

We will lead the initiatives that spring forth from our discussions with you the people, but at the end of the day it is you the people who will determine the success or failure of those plans. We believe in teaching a person how to fish and not just in giving them fish each time they ask. We believe in empowering the individual to change the course of their destiny. I wish to do these things in a Parliament that is dignified and respectful. I note that we have lost a lot of respect that was previously evident at this level and this unfortunately negatively impacts the listening and viewing audience.

It is our turn at the helm of this country and we expect to be able to do the job in a dignified manner. I trust that the Opposition shares these same views, as at the end of the day I believe that we all want this place that we call home to be a respectful and peaceful country. The challenge lies ahead for all of us to lead in a manner befitting statesmen and stateswomen and I have no doubt that the team we have assembled will be able to do this.

We have persons of the highest calibre and integrity and our young persons have role models of whom they can be proud. We are here because of them and their interests and it is important that we always bear that in mind as we conduct the business of this Honourable House. I look forward to developing a good working relationship within these walls with all concerned. I also look forward to meeting the wider community and interacting with them in all matters that concern us as a country.

We do not underestimate the size of the task that we have ahead of us, but we know that together we can achieve. These are challenging times with internal and external issues facing us as a country and we all have to stand tall and be counted. To the people of Bodden Town I say to you (using one of my colleague's favourites terms), 'Help is on the way'. As I bring my initial contribution to this Honourable House to a close I, once again, would like to thank all those who had a hand in me being here today. They include;

the good people of Bodden Town, my family, my teachers, my mentors, my previous employers and my God. I look forward to working hard in service to my country in this high office and I trust that the record books will show, he served well and made a positive difference in these Islands.

I thank you and wish God's continued guidance and blessings on all of us in these Cayman Islands.

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

I recognise the Second Elected Member for Cayman Brac and Little Cayman.

**Mr. Moses I. Kirkconnell:** Madam Speaker, I too offer my congratulations to you. I would also like to recognise the people from Cayman Brac, supporters of Miss Juliana and me that travelled here today. Some of them have left but the other ones that are here I thank you very much for being here and taking the time to come over.

I am honoured and humbled to be elected by the people of Cayman Brac and Little Cayman as one of their representatives to serve in the Legislative Assembly. I will forever be grateful to my family, my committee and my supporters for their hard work, advice and unwavering support throughout my campaign. They know, as I do, that work is just beginning. I look forward to expanding our committee and building a formidable team dedicated to plan sustainable growth for Cayman Brac and Little Cayman.

These are difficult times, but they are also exciting times. My constituents elected me with a clear mandate to improve the economy and to create jobs for our young people in Cayman Brac and Little Cayman. I look forward to working as a team alongside Ms. Juliana O'Connor-Connolly to do just that. I am delighted to find that our colleagues in the Legislative Assembly stand willing and ready to support our efforts in Cayman Brac and Little Cayman and I thank them all for that.

The combination of our three unique but united Islands creates a stronger more prosperous and globally competitive country. By continuing to work together we can expand our horizons to create a thriving economy and an improved quality of life, while at the same time protecting our unique culture and local traditions.

With guidance from God and dedication of our team, I look forward to serving the people of Cayman Brac and Little Cayman. Thank you.

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

I recognise the Honourable Anthony Eden, the First Elected Member for the District of Bodden Town.

**Hon. Anthony Eden:** Thank you, Madam Speaker. I think after listening to the last speaker, his stomach

must be like the rest of ours—wondering if our throats are cut! So I will be brief.

Madam Speaker, in 1992 three of us that are still here (the Honourable Leader of Government Business, you and I) came into this Legislative Assembly and there is only one person that has been here longer than us and that is the Father of the House, Mr. McKeeva Bush from West Bay.

It is interesting to see the trend of the younger people moving in and I think it is a warning we all should take. The people of the Cayman Islands are saying we need a fresh mind, fresh blood.

First of all, I would like to thank my Heavenly Father for once again providing the opportunity for me to be standing in these Chambers and I look forward to working with the people here. I want to thank my dear wife, who has had some rough times over the recent time, but she has been there with me and for me. All I really want to do is to name some of the members of our committee that were so dedicated in the election of the Third Elected Member and the Second Elected Member for Bodden Town, on the amount of legwork, telephone calls and visiting that they did on our behalf. This list is not exhaustive. As I reflect, Ms. Jackie Scott, Ms. Pat Eswick, Mary Trumbauch, Mr. Joey Ebanks, Olson Levy, Sigmund Levy, Lolita Hannah, Muriel Scott, Elaine McLean, Karen Baptiste, Nancy Bodden, Emmelita Clifford, Hewitson Watler, Jasmine Bush, Natasha Watson. As I said, this is just a few of those who have worked with us so diligently.

As was alluded to earlier on, there is still quite a bit of rebuilding [to do in Bodden Town]. Hurricane season is about two weeks away and our main efforts at this time will be securing as many of the homes and houses and providing a hurricane shelter which we so badly need which still sits there for whatever reason and we will find out immediately.

I look forward to working with my colleagues in here. There is much work to be done. There is no time for politicking now and I know that we can do this by working together. It will not be easy and whatever portfolios and responsibilities I am assigned I look forward to working with those people. We must continue to remember we got here through many, many prayers. I ask those people who prayed for us not to forget us at this time. Continue to remember us in prayer as we go forward to make these wonderful Islands a better place for all of us to live. May God bless us all.

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

I recognise the First Elected Member for Cayman Brac and Little Cayman, Mrs. Juliana O'Connor-Connolly.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

Madam Speaker and Honourable Members, early last Wednesday morning a preacher friend of mine in the person of Sister Ana Gracie Joseph telephoned me from Fort Lauderdale, Florida, to say that she had in fact been praying for me and that she felt in her spirit that it was indeed going to be a most difficult election for me. However, she had no doubt that the people of Cayman Brac and Little Cayman would once again re-elect me as their First Elected Member and so true was her prediction.

In fact it was early last Wednesday morning, even before the polls opened, that she shared with me the Word of God. She told me to hold on to two particular verses and to claim the promises contained therein. I did just that, and in particular on Election day and in particular as we went through the count that night at District Administration Building.

I claimed the words that were found in Exodus 14:13 and 14, and I quote with your kind permission. **“Fear ye not, stand still, and see the salvation of the Lord, which he will show to you today. The Lord shall fight for you and ye shall hold your peace.”** I have committed to do just that.

One thing Members and the public will know is that I have desired of the Lord and that I will continue to seek after that I may dwell in the house of the Lord all the days of my life and behold the beauty of the Lord whilst I enquire in his temple.

I waited upon the Lord, Madam Speaker, and he indeed renewed my strength. I ran and I did not grow weary; I walked and I did not faint. A fair, safe, prosperous and God-fearing Cayman Islands is very precious to me. Look at the Cayman Islands today. Governments have made mistakes in the past. Governments have had their shortcomings and governments will continue to make mistakes in the future. We all often fall far short of our own best hopes.

Nonetheless, is there any country today on the face of the earth which, when compared to this, our beloved Cayman Islands in ordered liberty and peace and in the largest freedom, is there any in comparison? I say not. I feel that I can safely say that without fear of contradiction or undue boastfulness. It is the simple fact and in moving forward together to build this nation we must do so in the spirit of unselfishness and with a desire for the good of all mankind, remembering that out of many we are one people.

It will do us all well today to remember that we are dealing with persons, every one of which has a direct individual interest to serve and there is grave danger in an unshared idealism. You may call me selfish if you will, conservative or reactionary, or even the barefoot girl from Watering Place or any other harsh adjective you see fit to apply, but Caymanian I was born, Madam Speaker, and Caymanian—Cayman Bracker in particular—I am and will remain the rest of my life. I can never be anything other than a Caymanian, Madam Speaker, and I must therefore think of the Cayman Islands first and foremost. When I think of the Cayman Islands, for the avoidance of doubt, in

this arrangement I must continue to think of Cayman Brac and Little Cayman.

I have loved, and I will continue to love, these Cayman Islands. In fact, I will do everything in my power with the help of Almighty God to represent all of our people with honesty, integrity, loyalty, dignity and yes, humility. The church and what it stands for is still the best and only hope for these beautiful Cayman Islands and if we fetter her interests, if we tangle her in the intrigues of the world, it will destroy her influence and good and it will endanger the very liberty of her existence. Madam Speaker, I therefore urge that we leave her to march freely through the centuries to come as the years have gone—strong, generous and confident. The Church has nobly served mankind.

Beware of how we trifle with the marvellous inheritance of this great land we call home because if we interfere with liberty we will stumble and fall, our freedom and our civilization will go down in ruin.

We have all heard of many visions and I trust that we shall continue to hear of visions and dream dreams of a fairer future for the race. However, visions are but one thing and visionaries are another and the mechanical appliances of rhetoric designed to give a picture of a present which does not exist and of a future which no man can predict, are as unreal and short-lived as a canvas of clouds of angels suspended on wires and the artificial lights on the stage which will pass with the movement of effect.

Let us therefore at least be realistic. No doubt many excellent and patriotic people see a coming fulfilment to noble ideals. We all share and respect these aspirations and desires, but some of us will dare to have other ideals as well which may differ at times from even those in these modern times who try to establish a monopoly of idealism.

My first ideal is our beloved Cayman Islands and I see her in the future as I have seen her in the past—giving service to all of the people all of the time. Today therefore, Madam Speaker, is not a time for emotional hangovers or for a moral lapse or apathy or a cloak of numbness, nor is it a time for smear tactics or Philistine contempt for the minority because the practice of accusing individuals with little or no evidence has destroyed many a Caymanian in this our beloved country.

I am here to say today that I am at least one Member who will not tolerate such unnecessary division in our country. Like Queen Esther, if I perish then I perish, Madam Speaker. However, as long as the wonderful people of Cayman Brac and Little Cayman elect me to be their representative I will endeavour to do so to the best of my ability to ensure that they have a voice in this Honourable House of Assembly. I give my commitment to working wholeheartedly with the Second Elected Member, my friend and colleague, Mr. Moses Kirkconnell to this regard.

Madam Speaker, the late President Ronald Reagan (once said, and once again with your permission to quote):“They say if we avoid direct confronta-

tion with the enemy he will forget and learn to love us...we offer simple answers to complex questions it's often said." Well, perhaps there is a simple answer, Madam Speaker, not an easy one but a simple one. "If you and I have the courage to tell our elected officials that we want our national policies to be based on what we know in our hearts is morally right. Then we will have found the simple answer. If we continue to accommodate, continue to back and retreat we have to face the final demand, that is, the ultimatum... There is something going on in time something going on in space and beyond time and beyond space, whether we like it or not, spells duty."

You and I, Madam Speaker, "have a rendezvous with destiny" and we, I am sure, will have no problem whatsoever in carrying out the duty for our constituents to which we are committed.

I wish to thank all of the people of Cayman Brac and Little Cayman for believing in me and supporting me for the third consecutive election and, yes, for praying for me, Madam Speaker. Thank you, the people of Cayman Brac and Little Cayman, so very much indeed for being there for me and please rest assured that I will continue to always be there for you. Remember, the battle is not ours because we have given it to the Lord from 1991.

In closing, I now wish to congratulate all Honourable Members of this House. The majority of the people have indeed spoken and they have done so in our respective constituents. As far as I am concerned I owe them a duty to respect every single Honourable Member because only the constituents in the respective jurisdictions know their representatives and I will not seek to interfere in their decision as was clearly set out last Wednesday, 11 May 2005.

Indeed, I look forward to working together to unify our beloved Cayman Islands and to enhance the wellbeing of all of our people. I am devoted and fully committed to this cause. May the good Lord continue to not only bless all elected and official Members, the staff of this Honourable House but, indeed, may Almighty God continue to bless these beloved Cayman Islands. I thank you.

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

I recognise the Honourable Arden McLean, the Elected Member for the District of East End.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

Madam Speaker, Honourable Members, staff of the Legislative Assembly, family, guests, supporters and friends, I am humbled by the experience of having been re-elected by the people of the District of East End to represent them for another four years. I thank God for His many blessings over the past four years and over my life.

First, I wish to thank my mother, my two sons (one of whom is currently in college and unable to be here with me), the remainder of my family and my wife

who are all present here with me today for their patience and support, particularly over the last six months.

Next, I thank the people of the East End electoral district for affording me such a privilege. I am honoured to have been given this opportunity to represent them again. To my committee I extend sincere appreciation for its unwavering and continued support. To my colleagues for the confidence they have shown in me over the last three and a half years and which has culminated in my election to Cabinet here today. To them and the people of this country, I give my unwavering support and commitment. I know that there is much work to be done but I am prepared to hit the ground running and get on with the task at hand.

Madam Speaker, the people have spoken. They have said clearly that they expect us to get on with the running of this country and it is the future that they look to the PPM's Administration to carve out.

Today marks the beginning of this PPM's Administration which had as its genesis every member's commitment of inclusiveness. We therefore welcome all stakeholders in this country to take part in its affairs. Our clarion call to the people during the campaign was hope—hope in the face of difficulty, hope in the face of uncertainty, a belief in things not seen, a belief that there are better days ahead. It is now time to turn hope into reality for those who believe and those who are uncertain, and we will deliver under the leadership of the Honourable D. Kurt Tibbetts.

Our commitment to the people of this country is that we will uphold the rule of law and exercise fairness for all. Madam Speaker, please allow me to go on record and issue a warning to those who believe that this country is a safe haven for misbehaviour. The PPM administration will not—will not!—tolerate unsavoury behaviour visited upon our people. We will employ a policy of zero tolerance in this regard. Now that the campaign is over and the Government has been formed, we must put the bickering behind us and get down to the serious business of addressing the many complex issues that face our country.

I therefore extend a warm welcome to my fellow legislators in the Opposition to join us in tackling these issues together in the interests of the people who elected us. I implore us all to be ever cognisant of our duty as stewards and our responsibility to safeguard the wellbeing and success of the Cayman Islands. I further congratulate the Members of the Opposition on their re-election.

In conclusion, I wish to pay tribute to the younger generation of Caymanians who tirelessly supported the PPM and, in particular, me in East End. My hope is that they will continue to actively participate in the political process at all levels and one day reap success from such involvement.

Madam Speaker, I also wish to warmly welcome you to the Chair and give you my support and respect. I intend to continue to conduct myself in the manner that befits and is expected of any citizen of

these Islands who is afforded the honour of serving in the capacity of Member of this Honourable House. Again, I thank each and every one who believed in me and I look forward to serving the people of the Cayman Islands. Madam Speaker, may God richly bless these beloved Isles we call home. I thank you.

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

I recognise the Fourth Elected Member for the District of West Bay, Capt. A. Eugene Ebanks.

**Capt. A. Eugene Ebanks:** Thank you, Madam Speaker.

First I would like to thank God Almighty for allowing me the health to continue to be here today. I too would like to take this opportunity to congratulate you and I look forward to working with you.

I thank my entire family and all of my loyal supporters who worked throughout this entire campaign hand in hand and gave us unwavering support. I thank all of the people who had the confidence to return me to this Honourable House for a second term. I want to assure them that I will continue to work for them and whenever the need arises they can always count on me to be there.

Next, I would like to congratulate all the Members of the Government and all the Members of the Honourable House who were successful at the polls and to also say that I am looking forward to being able to work for the betterment of our country with the new Government.

Madam Speaker, with those few words I just want to say thanks again to everyone for affording me this privilege for the second time.

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

I recognise the Second Elected Member for Bodden Town, Hon. Charles Clifford.

**Hon. Charles E. Clifford:** Thank you very much, Madam Speaker, and may I also add my congratulations to you on your election as the Speaker of this Honourable House.

I stand here today a very humbled man, humbled not just because of my election last Wednesday in the constituency of Bodden Town, but also because of my election today as Minister of the Cabinet. I want to thank my constituents in Bodden Town for the confidence they placed in me and to add my thanks to my colleagues on this side of the House for the confidence they placed in me in nominating me for a Cabinet post.

I understand that the expectations for this Government are extremely high. We understand that quite clearly. But I want to say, Madam Speaker, to Members of this Honourable House and to the people of the country that we are up to the job and we shall not let them down. You see, I consider myself a rep-

resentative of the constituents of Bodden Town, not just those people who voted for me but all of the people of the district, indeed all of the people of the Cayman Islands. I will certainly represent them to the best of my ability.

There is no question, Madam Speaker, that the issues facing this country are varied and complex. We believe that with the participation of the people and their Government we will restore these Islands to their former glory.

The elections are over and the people have spoken very clearly. It is very clear that the People's Progressive Movement, the Government Bench, has a very clear mandate from the people of this country. It is now up to the 15 Elected Members of this Honourable House to work together for the betterment of the country. The PPM Government will practise our stated policy of inclusion. Indeed, we have witnessed it here today with the election of the Third Elected Member from West Bay as the Deputy Speaker of this House. I want to take this opportunity to congratulate him on his appointment as Deputy Speaker.

The Opposition is a necessary component of democratic governance. They are part of the important checks and balances in a democratic government and the Opposition must have their say. However, the Government is charged with the responsibility to govern, and so we will.

I want to say that I left a very successful career in the civil service in July 2004 because I felt strongly that the country was heading in a very wrong direction and I felt that it was my time to step up to the plate and to offer myself at the political level. So, here I am today as an Elected Member of this Honourable House and a Minister of the Cabinet ready to go to work immediately for the people of this country.

I want to say to civil servants that we understand the vital role they play and the contributions that they can make to the development of our policies. We understand also the importance of having and maintaining an independent civil service. We will facilitate cordial and beneficial relationships with civil servants and expect that this will improve morale and, by extension, productivity. We are looking forward to that very much.

We said many times during the course of our campaign (and my colleague the Third Elected Member from Bodden Town made reference to it earlier) that help is on the way. I am very proud to stand here today and to say to the people of the country that help has arrived.

In conclusion, I want to thank our district council members, or election agents; I want to thank my wife, Emmelita, and my children. I know my colleague the Honourable Minister Anthony Eden started to name a few people earlier and it is always dangerous when we go down that road because sometimes we inadvertently leave people out. However I would like to add a couple of names to those that we would wish to thank and since I am the last Elected Member



from Bodden Town to speak, if I miss anyone we sincerely apologise, but we thank them all for their efforts during the campaign.

I would like to add to the "thank you" list Nurse Josie Solomon, Mr. Lorenzo Berry, Mr. Lewis Berry and Mr. Dean Walton. I want to thank also my mother and my sisters and of course my extended family for all of their support, hard work and encouragement. I simply could not have achieved what I have thus far in life without them. I shall be eternally grateful to each and every one of them for the support that they have given me.

Finally, I want to say that this Government is a government that the people of this country can be proud of. It is a government that the people of this country can trust. I will end by saying may God continue to bless our beloved Cayman Islands. I thank you Madam Speaker.

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

I recognise the Third Elected Member for the District of West Bay, Mr. Cline Glidden, Jr., Deputy Speaker.

**Mr. Cline A. Glidden, Jr:** Thank you, Madam Speaker. I would also like to take this opportunity to first thank you for the support you offered me during the last term. I also want to congratulate you on your appointment today to the position of Honourable Speaker of the Legislative Assembly. I take this opportunity to thank our previous Speaker, the Honourable Linford Pierson, for his assistance to me during my first term and during my term as Deputy Speaker.

Earlier I was asked when it had first been discussed about the possibility of my being the Deputy Speaker . . . I have to mention that during the past, I guess three years, you had mentioned to me on numerous occasions that depending on the outcome of the elections you would continue to support me in that position. I thank you as well as the other Elected Members of both the Government and the Opposition today for that continued support. I look forward to learning more by working along with you and the other Members of this Honourable House.

On Wednesday, 11 May 2005, the good people of the Cayman Islands went to the polls in a very controlled and deliberate fashion and made their choices for their representatives in the respective districts. I am thankful to the good people of West Bay for once again choosing my colleagues and me for another term. I am thankful and humbled by the support given to my colleagues and me by the Honourable Leader of the Opposition, Mr. McKeever Bush. Four years ago he had the confidence in us to put together a group. Sometimes we were seen as being young and immature but we have stayed together and worked together for the people of West Bay as well as the Cayman Islands.

I would like to thank those people in the district of West Bay who have so kindly offered their continued support and commitment to us, as well as to those people throughout the Island who have offered their support.

I would also like to thank those people from the district of West Bay who were not our supporters, but today I have the pleasure of still being their representative. Those people, whether they were candidates or whether they were members of the public who supported other candidates, have shown us the need to be accountable representatives to the people and they have made sure that we understand clearly that we cannot take anything for granted and that we have to do our job as best as we can do. I pledge to continue to do my best as a representative of all the people of the district of West Bay, as well as the Cayman Islands, for the next four years.

I would also like to thank our hardworking committee who worked tirelessly to get us elected. I think that that was the ace in the hole as far as the campaign went with getting the four Members elected in West Bay—the hard work of our committee and the love and support of the people in that district.

Madam Speaker, other speakers have mentioned the need for uniting the country since the last election as well as the storm that recently devastated our country. I think that I would like to go along that path to say that the elections are over and the people have spoken. Now it is our job as representatives to get back to bridging those gaps and conquering those divides and getting people back together and being united because we do not know what challenges lie ahead.

The elections have passed and we have seen that four years is a very short time, and in four years it will be time for politicking, campaigning and such like again. However, for now we have been given the grave responsibility for the next four years of working together as representatives and building the country. To that I give my commitment to the people of Cayman and the people of West Bay and to the government, my continued support in whatever is in the best interest of our beautiful Cayman Islands.

I am sure that at times we will disagree but I pledge at those times to try my hardest to do so in a respectable manner, that we can all (as has been done in the past) work together and play together. In a lot of instances I think it is important to recognise, and I think it was evident throughout the campaign, that people hear the discussions and the differences on the floor of the Legislative Assembly and they feel that there is some great animosity or divide amongst the Members. However, when we leave the floor of the Legislative Assembly and whether it is in the common room or on the street there is still camaraderie amongst both sides of this Honourable House. I think that is the example that we have to set for the general public to see.

Before I close, I would like to congratulate the members of the People's Progressive Movement, not only the winning candidates, but their obviously hard-working organisation and committee. I think that they have done themselves proud in competing and contesting an election and winning the majority of seats in that election. All that is left for me to do at this stage is to say congratulations to all Members and again to commit and pledge my support to the betterment of the Cayman Islands.

I also want to thank God for His continued blessing on me and my family. I would also like to thank my family, my wife, my two sons and my mother and father, who have, I think, left the Chamber, for all the love and support that they have given me over my time prior to politics and during the difficult times in politics. I would also like to say thank you to all the people of the Cayman Islands for their continued support and to pledge my continued work as a representative of all the people.

May God continue to bless these beautiful Cayman Islands.

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

I recognise the Second Official Member, the Attorney General.

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

I just would like to offer my congratulations to all Honourable Members of this Legislative Assembly on their successful election. I want to observe that the Election and campaigning itself was very robust. At the end of it all we had no hanging charts, no pregnant ballots, no election petition and I think it speaks of the maturity of our democracy.

I am happy and indeed would wish to congratulate you on the elevation to the Chair of Speaker. I want to also congratulate the Deputy Speaker. I am confident that the traditions left by previous Speakers will continue and so the Chair is in good hands.

I wish to add that we, as Members of this House, should continue to be robust and passionate about what we do here, the business that we conduct. In all of that, I would like to implore Members that persons outside take their cues from how we conduct ourselves in this House. It is imperative that we continue to be civil to each other, we should display un-failing courtesies at all times so that the young people can look at this House as a place to which to aspire. I am very confident that all Honourable Members in this House have those attributes and will continue to display them.

The elections are over. It is time for healing. I am heartened by the conciliatory tones of the speeches and it is quite clear already that hands are being extended from both sides of the aisles and that is extremely good. There is absolutely (unfortunately for the incoming government) no honeymoon! There

are a number of initiatives that are being pursued. There is a niggling crime problem, there are social issues, there are international initiatives that will all continue to engage an incoming government. We all pledge our support, our unconditional support I might add, to ensure that these Cayman Islands continue to be a place of pride where every one of us would wish to live and aspire to probably be buried when we die. I thank you.

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

I recognise the Honourable Financial Secretary, Mr. Ken Jefferson.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

I would like to start by making some brief remarks in connection with your election to the important post of Speaker of the Legislative Assembly.

Today marks a very important elevation in your long and distinguished public service to the Cayman Islands. You have maintained a keen interest in the way parliamentary procedure should be carried out in the House over the years. Madam Speaker, many times I have heard you give your interpretation as to the way procedures should be carried out along with your rationale for your interpretation, and I expect that the House will be hearing more from you along these lines. I am very confident that all Honourable Members in the House respect your knowledge. I am equally confident that you will be fair and you will be unbiased and you will go down historically, Madam Speaker, as being another distinguished Speaker of the Legislative Assembly in the Cayman Islands.

I should also offer my congratulations to Mr. Cline Glidden, Jr., as Deputy Speaker of the Legislative Assembly. I think Mr. Glidden has earned the respect of the House and the public during his time as Deputy Speaker, and I am sure he will continue to maintain that respect, Madam Speaker.

I also wish to congratulate all Honourable Members of the new Government. I think I have shaken hands with them all and if I did not, it was an innocent omission. They certainly have my respect and admiration. Equally, the Members of the Opposition do not only have my respect but also, I am sure, have the respect of other Official Members on this side of the aisle.

It is my responsibility to provide the Government and the Legislative Assembly with objective advice and clear cut evidence. I have said this before. I will continue to do so to the best of my ability in the future. The duty imposed by collective responsibility is an important one and I will abide by it. That responsibility involves supporting and defending the policies of the Government. I will be respectful to you, Madam Speaker, to all Honourable Members, and to all staff of the Legislative Assembly.

In conclusion, I would say that I take away from the proceedings here today in the Legislative Assembly so far, perhaps I think what the late Prime Minister of the UK Mr. Jim Callaghan was remarked to have said; "We may never reach the Promised Land but we can certainly march towards it." From what I have heard from both sides of the House today, I think the House wants to march towards the Promised Land—the Promised Land being the betterment for the people of the Cayman Islands.

Thank you, Madam Speaker.

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

I recognise the Second Elected Member for the District of West Bay, Mr. Rolston Anglin.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

I would like to first of all offer my hearty thanks to the hardworking committee responsible for my other three colleagues and me being here as Elected Members. I would like to thank my family for all the support they have offered me not only since I decided to enter politics, but throughout my entire life.

I would like to also thank all of the people of West Bay, and the people of the Cayman Islands who last Wednesday took part in the democratic process. I would like to also thank Almighty God for His many blessings that He continues to bestow upon all of our lives and indeed these Cayman Islands. This is still the best place on earth. There are many good places to live but I think we all share a common ground when we speak about our home.

I would like to offer my congratulations to the People's Progressive Movement, to the new Leader of Government Business and the entire Cabinet. I wish them well and every success because this is our country. It is for our children and their children to come.

I would like to also congratulate every single candidate who contested the recent elections. It takes a brave person, a person of conviction to offer themselves and step forward to ask their fellow citizens to support them. Every one of them makes democracy and this country stronger.

I encourage all who choose not to participate in the democratic process last week to reflect on the great magnitude, the awesome responsibility and privilege to be able to do this. I encourage all of them in some way, to take part in this community, whether through voluntary services or in whatever way they can find to participate in the community. Fifteen Members will not solve the problems of the Cayman Islands. Fifteen people cannot solve all the problems of 40,000. I encourage them that if God spares their lives four years from now to take part in the democratic process.

Every society has challenges. I know this is a cliché, because I have heard it from the time I was a little boy, but every election is seen as the most impor-

tant, and every time is seen as the most challenging and the most important. I suppose there is a bit of selfishness in all who see life that way. However, we all know that there are great challenges that face these Cayman Islands. In the wake of the ravages of Hurricane Ivan there is still much suffering and there is still much rebuilding to be done. My colleagues and I, on this side of the House, do give every one of our citizens—and that includes the elected Government—our support to do whatever we can do to ensure that we secure our people and this country to make it stronger.

There is much work to be done in rebuilding and building new schools because we do recognise that mobility in life is best achieved through education. So, we offer the Government every bit of assistance that we can give in this regard and we do encourage the continuation of the programmes that have been started. I believe that there is much good that has already been done for education.

We do understand that there are many, many social issues that come upon small and large communities once you start to develop in the way that the Western world develops. There are many costs that go along with the benefits we have in a free democratic society. Those challenges are key to our very survival because a lot of those challenges do threaten to undermine the peace, stability and economic well-being that our people have come to enjoy. However, more importantly, our people have come to demand these as a part of the Cayman Islands. In this vein, we offer whatever support to be given to the Government, in order to work to ensure that we move aggressively regarding issues facing young people, mainly employment, violence and violent crime.

I have been accused before of being a hard-liner in that regard, and I will continue. Because I do believe that we are at a time most crucial to ensuring that we do not continue to allow what has started in this country in regard to violent crime, gang violence, et cetera.

In that regard, I want to encourage the Government and offer my support to youth programs, and to the church outreach programs that are supported by Government. I see those as providing the type of wholesome activities that will steer our young people in the right direction. We need to continue the strong emphasis on sports because through experience we know that sporting activities also do provide the type of activities for young people that will allow them to become good productive members of society.

Madam Speaker, I also offer our support to strengthening the Youth Parliament in this country. I believe that one of the key initiatives that we as Legislators should embark upon is to engage young people meaningfully, so that we understand clearly and give them an opportunity to express their views. How can we understand their views if we do not hear them expressed? I encourage the Government to also embark

upon district youth forums because those are of critical importance to supporting the Youth Parliament.

Madam Speaker, my colleagues and I have also spoken to taking leadership to our districts and in that regard we are hoping that the Government is going to support us in having what we envision as leadership roundtables within every single district in this country. That would involve us having the ability to meet with the key stakeholders within our communities to ensure that we are kept abreast of the current issues and that we are able to be the best representatives that we can be. After all, that is what people elect every one of us for. That is the role that they expect us to play and I think that that would be something that would be very positive to ensure that this country continues to grow and to mature.

I would like to also encourage the private sector to do its part in building; to do its part in seeing that whilst business is important and employment is key to our peoples' survival, there is a social aspect of life that Government must insist upon and social programmes will ensure our long term survival.

I am happy that this election has gone so smoothly because it has put to bed at least one fear that has been spread throughout this community from the time I was a young boy, and that is that party politics had no place in the Cayman Islands. I congratulate all who where evolved with the elections, the Election Office, the candidates, the elections agents and the committees. Whilst this was a very robust campaign from the platform (and it should be), on the ground it was calm and peaceful.

This time around I never heard of one incident in my district, I cannot say the same about prior to the elections. I certainly cannot say the same for 2000. Nothing serious in 2000, but this time around not one single election related incident and usually as we all know, a lot of times people go out and get excited and perhaps go to a local establishment and get a little excited about their candidates and you would have things happen that perhaps we would not desire.

However, I say that politically the maturity of the Cayman Islands has grown by leaps and bounds over the past few years and I am glad to be around to see this.

Madam Speaker, I do want to offer you my congratulations. I know that you will do a sterling job in the Chair while you are there. I offer my congratulations to my colleague, the Third Elected Member for West Bay, in his election to the office of Deputy Speaker. I know that most of us are anxious to go and there will be much opportunity over the next four years for talk and debate and I think most who know me know that I can hold my own in that regard.

Madam Speaker, God bless the Cayman Islands and the people. We are going to represent everyone from every district whether they supported us or not, if they come to us for assistance. That is what we are here to do. I say God bless the Leader of Government Business and may God bless the Leader of

the Opposition, my colleague, my friend, the Honourable McKeeva Bush, because in their hands rests much responsibility.

Thank you Madam Speaker.

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

I recognise the Honourable Alden McLaughlin, Jr., the Second Elected Member for George Town.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker.

My heart is full today, in fact so full I wonder if I dare speak. This has been a hard-fought battle to arrive at this point. Three years ago, those of us on the other side, having lived through what we lived through, sat down and talked seriously about our future and about the future of this country and about the direction about which we thought the country ought to go; thus was born what became known as the People's Progressive Movement.

One thing that we understood from the very beginning was that the future of this country, if it was to be ensured, had to rest and reside in the hands of the people of this country. We understood that ordinary men and women, and young people, needed to have a say in the affairs of Government right from the start and all along the way. Thus, when the People's Progressive Movement came into being that became its underlying philosophy—a consultative and participative approach to government. We did not want to simply create an election winning machine which once it delivered representatives at the end of the process fell away.

That idea caught fire with the people of this country. That idea has inspired the tremendous energy of the People's Progressive Movement. That is a philosophy which as long as we hold true to it will deliver to this country the best administration this country has ever seen.

I have no doubt about that, not just because of the confidence I repose in my colleagues on the Front and Back Benches here, but because I know as long as we allow the people to play the part which they ought to play, they will keep us all honest. They will keep us all true to the philosophy, to the purpose for which the organisation was created and keep us true to the promises we have made in the manifesto.

Madam Speaker, it has not yet been recognised publicly, but this is truly a momentous occasion. It is the first time in modern history of the Cayman Islands that a party has won the mandate from the people of this country. That is a tremendous achievement but it also carries with it a tremendous responsibility, a responsibility which I readily acknowledge.

I wish to pay tribute to those scores of persons who, in many instances, have put their personal lives on hold, who have contributed financially, resource-wise and time-wise to the creation and development of the People's Progressive Movement and to

its tremendous victory at the polls on 11 May 2005. There is no amount of thanks and tribute I or any other member of this Government can pay that will ever be enough. Many of them have sacrificed their lives, have put themselves on the line; have been the subject of ridicule, the subject of criticism and in some instances have even been the subject of threats and intimidation because of what they have determined they should stand up for. They believe in the cause!

I undertake, as long as I am part of this organisation, a part of this Government that we will not betray their trust and the trust that has been reposed in us by the Cayman Islands at large.

Madam Speaker, I wish to thank first the people of the District of George Town for again reposing their trust in me as an elected representative. I dearly love these Islands, and I particularly love the district of George Town and my people in George Town.

This is a difficult job for all Members. Any Member that has managed to arrive in these Honourable Chambers has every right to be proud of that achievement because it takes tremendous patience, courage and hard work to discharge your function as an elected representative. However, I can truly say that nothing I have ever done, short of beholding the birth of my two sons, has ever given me greater satisfaction when serving the people of this country and particularly the people of my district.

There are many who still say (four and half years on) that they think I have made a wrong choice and that I have given up a successful professional career to do this. However, life is tragically short—one must do what one's heart leads one to do. My heart has led me to do this job. I have had the tremendous honour and privilege that the people of George Town have seen fit to allow me to do that job. There is nothing else I wish to do more than to give my best years, my best efforts, my best energies to moving this country forward to doing what I believe I have been called to do.

The pursuit of great wealth has never been my ambition. I believe that this is what I have been called to do. I have been blessed with health, strength, with a supportive family, tremendous colleagues and a support system that has enabled me to come this far.

We have all talked about building bridges and stretching hands across the aisle, and I am entirely in favour of that. Any Member who is in this Honourable House is here because the people of his or her constituency have reposed sufficient trust in them to elect them to that office. Each Member, whether they are a Member of the Government or not, ought to be accorded due respect, enabled to participate in all of the affairs of this Honourable House and, to the extent possible, in the administration of the country as a whole.

I recognise the Opposition as a critically important component in the Westminster system of Government; it operates as a check and balance on the

authority and power and conduct of the Executive. Without a good Opposition it is impossible to have a good Government. So I extend to them the hand of friendship, the hand of camaraderie; I extend to them my love and respect for the offices and positions which they hold. We are all part of what makes a democracy work.

There will be, no doubt, wrangling as the years go by. That is part and parcel of the process. As long as we understand what our respective roles are and act with decorum and decency in our exchanges and remain, as some others have said, civil to each other, I believe we will get the job done.

I pledge to the people of this country, my very best efforts and those of my colleagues in this People's Progressive Movement administration. God bless us all, God bless these Cayman Islands and inspire us with the wisdom, the courage, guidance and the direction to take this country to where it needs to go.

I close, Madam Speaker, by wishing to thank my immediate family, particularly my wife and children, for their patience and for their fortitude in putting up with my many absences, to use a good Caymanian expression, *my disagreeableness* when I am under pressure to deal with the many issues with which you are faced as an elected representative and even more so during the height of a very, very torrid campaign.

I would also like to thank my two sisters for their moral support and particularly my parents, both of whom are still here in this Chamber, for their courage and their encouragement of me. My father in particular followed me to almost every single public meeting I went to at almost age 79! That is commitment and support which is impossible to truly acknowledge. Without that kind of support this would be an almost impossible task.

I thank all of those who have helped me to reach this point. To go in to the list would take a long, long time, but it has been a wonderful, wonderful experience. I look forward to the challenges that lie ahead.

I thank you, Madam Speaker, for accepting the important role as Speaker of this Honourable Legislative Assembly. I believe you will bring to the Chair—I know you will bring to the Chair a new level of decorum. I know that you will also command without any question, the complete respect and support of all Members of this Honourable House, even the Honourable Leader of the Opposition who, I know in his heart of hearts (despite what he has said) does believe you will make an excellent Speaker!

*[Laughter and inaudible interjections]*

**Hon. Alden M. McLaughlin, Jr.:** With those few words I would like to close and say that I am anxious to get to the Glass House for the swearing in of Cabinet. Thank you.

**The Speaker:** Before I put the question, I would like to inform Honourable Members that the group photograph will take place following the adjournment here in the Chamber as well as individual portrait shots.

The question is that this Honourable House do now adjourn *sine die*. All those in favour, please say Aye. All those against, No.

**Ayes.**

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

**At 2.52 pm the Honourable House adjourned sine die.**

**OFFICIAL HANSARD REPORT**  
**WEDNESDAY**  
**22 JUNE 2005**  
**10 AM**  
*First Sitting*

**The Speaker:** I call on the Honourable Third Official Member to say prayers.

**PRAYERS**

**Hon. G. Kenneth Jefferson:** Let us pray.

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

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

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

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

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

**Proceedings resumed at 10:02 am**

**ADMINISTRATION OF  
OATHS OR AFFIRMATIONS**

By the Honourable First Official Member

**The Speaker:** I ask the Honourable First Official Member to come to the Clerk's table to take his oath.

Would all Members please stand?

**Hon. George A. McCarthy:** I, George Anthony McCarthy, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her Heirs and Successors, according to Law, so help me God.

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

**The Speaker:** Honourable First Official Member, I wish to welcome you back to the Chamber. You were not here for the official swearing in and I now invite you to take your seat.

Please be seated.

Before we start with the orders of the day I would like to welcome the year four students and teachers from the Bodden Town Primary School and it is my wish this morning that the students and the teachers will learn something from the procedure of this Legislative Assembly. Thank you.

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

**Question No. 1**

**The Speaker:** Question No. 1 stands in the name of the First Elected Member Cayman Brac and Little Cayman.

**No. 1: Mrs. Juliana Y. O'Connor-Connolly** asked the Honourable Leader of Government Business responsible for the Ministry of Planning, Communications, District Administration and Information Technology to provide a current status update for the Government Affordable Housing Development for Cayman Brac and to say:

- (a) whether or not the Government has any plans to continue this said Affordable Housing project; and
- (b) if there are plans; to say what these plans are.

**The Speaker:** Honourable Leader of Government Business and Minister of Planning.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the answer: in reply to the first part of the question, yes, this Gov-

ernment plans to continue with affordable housing development for Cayman Brac.

Regarding the second part of the question, I wish to advise that my Ministry is taking immediate steps to address the affordable housing needs in Cayman Brac. Discussions are underway with staff regarding the best way to deliver suitable housing to the people of Cayman Brac while at the same time serving as an economic boost to the economy of Cayman Brac and Little Cayman.

Some of our first tasks will include a comprehensive needs assessment as well as fine tuning plans for two- and three-bedroom concrete block construction, single family homes. The Ministry already has on staff individuals with wide experience in affordable housing and construction and project management. These skills combined with district administration personnel and indeed wide interest from the private sector in Cayman Brac and Little Cayman, will help ensure a quality affordable programme in Cayman Brac.

I look forward to reporting to my colleagues in Cabinet and, indeed, back to you, Madam Speaker, on this most important initiative.

**The Speaker:** Are there any supplementaries? The First Elected Member fro Cayman Brac and Little Cayman.

### Supplementaries

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

I wish to thank the Honourable Leader of Government for his answer, and I would ask whether he is in a position to say whether or not the two pieces of Crown property that were identified for affordable housing are still the two pieces under consideration for the said housing development project.

**The Speaker:** Honourable Member, that is outside the original question but if the Honourable Leader and Minister responsible for District Administration is in a position to answer it I will entertain it.

**Hon. D. Kurt Tibbetts:** As far as I know both properties are still in consideration for the Affordable Housing Initiative in Cayman Brac. Just to say, Madam Speaker, some infrastructure work was done, especially to one piece of that property. So, in my view, it really would not make sense to start the process all over again.

**The Speaker:** Are there any further supplementaries?

The First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

With reference to the substantive answer where it refers to plans for two- or three-bedrooms, I am happy to see that, and I wonder whether the Honourable Leader would be in a position to say how this would affect the overall considerations for the said homes.

**The Speaker:** Honourable Leader of Government Business and the Minister responsible for District Administration.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I would presume that the direction that supplementary is leading to is with regard to the cost. Technical staff is now in the process of developing the plans to completion. Once that is accepted they will move further with regard to bills of quantities and pricing on it. let me say that we will move forward with those so that the options are in a manner that people will be able to afford and the Government does accept that while we want this to have continuity there will be, on the part of Government, some injection, whether it be the cost of the land or whatever, to be able to make sure that these homes are affordable.

**The Speaker:** Are there any further supplementaries?

The Honourable First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** My final supplementary to the Honourable Leader. I wonder whether the Honourable Leader is in a position to say whether or not there would be consideration for his Government to revoke the \$800,000, which is in the current financial provision for this project?

**The Speaker:** Honourable Leader of Government Business and the Minister responsible for District Administration.

**Hon. D. Kurt Tibbetts:** Madam Speaker, when the Honourable First Elected Member for Cayman Brac and Little Cayman sees the four-month allocation, the motion that is being brought by the Honourable Third Official Member, she will see that it is in there.

### Question No. 2

**The Speaker:** Question No. 2 standing in the name of the Honourable First Elected Member for Cayman Brac and Little Cayman.

**No. 2: Mrs. Juliana Y. O'Connor-Connolly** asked the Honourable Leader of Government Business and the Minister responsible for District Administration Whether or not the Government would consider budgeting, in this upcoming financial year (2005-2006), for the construction of the Ann Tatum Bluff ramp at the Creek, Cayman Brac.



**The Speaker:** Honourable Leader of Government Business and the Minister responsible for District Administration.

**Hon. D. Kurt Tibbetts:** The answer: The previous Government had undertaken to create an access ramp at Charlotte Road, which is approximately one mile west of the Ann Tatum Road, and constructed an access road to the bottom of the Bluff from the main North Coast Road, which was finished just prior to the 2005 Elections. This would then be followed up by constructing a ramp from the end of this road up to the Bluff to connect with Charlotte Road. Having two ramps this close to each other is seen to be excessive.

The reason given for not previously choosing Ann Tatum Road site for a ramp was that it would cost more than double the one at Charlotte Road, hence the reason for this relocation.

**The Speaker:** Are there any Supplementaries?

The Honourable First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. I wonder if the Honourable Leader would undertake to present at a later stage a cost analysis of both ramps—Ann Tatum and Charlotte Road?

**The Speaker:** Honourable Leader of Government Business and the Minister responsible for District Administration.

**Hon. D. Kurt Tibbetts:** Certainly, Madam Speaker. I do not have the information available at this point in time but I would be happy to do so and provide justification for the decision.

**The Speaker:** Are there any further supplementaries?

### Question No. 3

**The Speaker:** Question No. 3 by the First Elected Member for Cayman Brac and Little Cayman is addressed to the Honourable Leader of Government Business and the Minister responsible for District Administration.

**No. 3: Mrs. Juliana Y. O'Connor-Connolly** asked the Honourable Leader of Government Business and the Minister responsible for District Administration if the Government supports -

- (a) the realignment and construction of the Guy Banks Road in Little Cayman as proposed by Mr. Derwyn Scott; and
- (b) the realignment and construction of the Spot Bay Road in Little Cayman.

**The Speaker:** The Honourable Leader of Government Business and Minister responsible for District Administration.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the answer: The realignment of this road has been costed by Public Works Department (PWD) and it is seemed to be too costly for our present annual capital roads allocation.

The answer to (b) is the Government supports the realignment and the construction of Spot Bay Road on Little Cayman as a priority and plans to have these works undertaken within the 2005/2006 budget year.

In other words, Madam Speaker, it is very unlikely that we would be able to afford both projects and the realignment and construction of the Spot Bay Road in Little Cayman is seen as more important, in order of priority than the other one.

### Supplementaries

**The Speaker:** Are there any other supplementaries?

The Honourable First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. I wish to thank the Honourable Leader for his response and to say that I concur with part (b) of his response in that it is in fact a priority.

Would the Honourable Leader undertake to speak to his technical staff as it relates to a proposal put forward by Mr. Derwyn Scott for a partnership as related to the costs thereof?

**The Speaker:** The Honourable Leader of Government Business and Minister responsible for District Administration.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I understand the gist of the Member's question, and what I will undertake to do, as I have not had time to familiarise myself with it, is to get all the facts together. I do not mind having discussions moving forward, but we must bear in mind that any decision taken must be for the good of the majority and that is the way we will approach it.

**The Speaker:** Are there any further supplementaries?

If there are no further supplementaries that concludes question time.

I now call on the Honourable Minister of Community Services, Youth, Sports and Gender Affairs.

## STATEMENTS BY HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

### **Urgent and Special Forensic Audit on the National Housing and Community Development Trust**

**Hon. V. Arden McLean:** Madam Speaker, on 24 May 2005 the Governor, His Excellency Mr. Bruce Dinwiddy CMG, after consultation with Cabinet, requested the Auditor General, Mr. Dan Duguay, to conduct an urgent and special forensic audit on the National Housing and Community Development Trust, from the period of the inception of the Affordable Housing Initiative.

Madam Speaker, the audit was to be carried out in two phases: firstly, an audit for the period 1 September 2004 to 25 May 2005. A report on that period was to be submitted by 17 June 2005.

The second phase was to be a comprehensive audit of the performance history and financial accounts of the Affordable Housing Initiative from its inception to 25 May 2005. A report on the second phase is to be submitted to His Excellency the Governor by 31 August 2005.

The purpose of this statement today is firstly to inform the country, through the legislature, of developments surrounding the Affordable Housing Initiative, which falls under the auspices of the Ministry of Community Services, Youth, Sports and Gender Affairs, for which I hold responsibility.

Secondly, it is to inform this Honourable House and the general public that the first report which was due on 17 June was received by His Excellency the Governor on the required date.

Madam Speaker, yesterday His Excellency informed Cabinet that he would be making this first phase of the two-part report public later on today, 22 June.

There has been growing unease within the civil service since the announcement that a forensic audit of the Housing Initiative would be conducted. It is therefore incumbent upon me as the Minister responsible to allay some of those fears within the service and the broader community by assuring all parties that this is not a witch-hunt. The probe does not target any individual or group of individuals, but rather seeks to get answers to many pressing questions in relation to the management, direction and focus of that enterprise.

I have said that to say, that the findings of the report by the Auditor General are not very complimentary of the management practices that existed. There are also several worrying issues with respect to the allocation and disbursement of public funds. Accordingly, the report on the operations of the Affordable Housing Initiative has been referred to the Royal Cayman Islands Police Service Financial Crime Unit for further investigation.

When this audit was initiated I said through the media to the country that I was not taking any position on what I expected the outcome to be. The fact that the Auditor General has uncovered a number of irregularities which warrant further investigation is of

grave concern to this Government and should not be taken lightly.

Further, so as to avoid the possibility of prejudicing the outcome of what could be a criminal investigation, the Cabinet has determined that the report should not be the subject of a debate in this Honourable House at this time.

Madam Speaker, the People's Progressive Movement Administration does not rejoice in the discovery of such situations. It must, however, be borne in mind that this Administration gave the people of this country an undertaking that it would ensure proper management of the country's affairs, which includes transparency, openness and fiscal responsibility. We therefore concur with the Auditor General's request for a police investigation and His Excellency's decision to make the first part of the report public.

I stress that my intervention at this point is for information purposes only and do promise that in the fullness of time I will articulate fully my views on this very sordid and unfortunate period in the social and economic life of our country.

For the time being, I implore all Caymanians to access the report and be apprised of what obtained in this country prior to the change of government less than 50 days ago.

Madam Speaker, I thank you.

**Mrs. Juliana Y. O'Connor-Connolly:** Madam Speaker, I wonder if I could ask a brief question under Standing Order 32.

**The Speaker:** Honourable Member, I would prefer at this time, since the Cabinet has taken the decision that they do not want this to go into public debate, if we would keep those questions very simple and not get into the meat.

Honourable Member for Cayman Brac and Little Cayman.

#### **Short Questions** (Standing Order 32)

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. I wonder if the Honourable Member can say whether or not it is a special report of the Auditor General.

**The Speaker:** Honourable Minister responsible for Community Services.

**Hon. V. Arden McLean:** The Report is not a special report of the Auditor General. The offices of the Auditor General were used only because of the expertise available therein. This forensic audit was ordered by the Governor and he could very well have gone out of the Government and appoint other auditors but he used the resources that were within Government.

## GOVERNMENT BUSINESS

### BILLS

#### FIRST READING

##### **The Reporting of Savings Income Information (European Union) Bill, 2005**

**The Clerk:** The Reporting of Savings Income Information (European Union) Bill, 2005.

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

#### SECOND READING

##### **The Reporting of Savings Income Information (European Union) Bill, 2005**

**The Speaker:** I call upon the Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Speaker, I beg to move the second reading of a Bill entitled, The Reporting of Savings Income Information (European Union) Bill, 2005.

**The Speaker:** The Bill has been duly moved, does the Honourable Mover wish to speak thereto?  
The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

As this Honourable House is aware, the Cayman Islands, along with the five other Caribbean overseas territories, the Crown dependencies; the Dutch dependencies, and San Marino, Switzerland, Liechtenstein, Andorra and Monaco committed to implement by means of bilateral agreements with the twenty-five European Union member states, the same measures as contained in the European Union Directive itself on the taxation of savings income in the form of interest payments.

Madam Speaker I shall refer to the European Union as the EU, hereafter.

In the case of the Cayman Islands and after further to industry consultation, the measures that I have just mentioned involve the provision of specified information rather than a withholding tax on interest payments.

By authority of the Cabinet, the Cayman Islands signed bilateral agreements with the 25 EU member states. However, the agreements are not self-executing, meaning that legislation is required for their implementation. The Bill currently before the House is primary legislation which is aimed to accomplish this end.

Madam Speaker, before I deal with the Bill itself, I would like to briefly review the agreement that the Bill is designed to give effect to. This agreement is included in the Bill as Schedule 1. The scope of the provision of information measures under the agreement, as under the Directive, is very restricted. The implementation of the agreement will put obligations only on "paying agents" within the Cayman Islands who make or hold "interest payments" on "savings income" to or for an individual who is a tax resident of an EU Member State.

The obligations will require that "paying agents" provide information to EU tax authorities via the designated competent authority in the Cayman Islands on the amount of "interest payments" on "savings income" together with details of the recipient. Such information, when it exists, will be collected and disclosed only in respect of individuals who are tax residents of the EU. Provision of information to the relevant EU Authority, where required, would occur once per annum, and would occur within six months after the end of the calendar year.

As the EU has officially set 1 July 2005 as the implementation date for the Directive, the first reporting under the agreements would occur in mid-2006 (so, six months after the end of 2005). Persons who are not resident for tax purposes within the EU, legal persons, certain trusts and partnerships, corporate structures, other investment vehicles and institutions that do not fall within the narrow scope of the definition, will be unaffected.

For this reason (given the nature of our industry), while there will be appreciable compliance costs, the Government expects that there will be some reports to be made to EU authorities, but not a high volume.

Madam Speaker, there are a few additional features of the agreements that I would like to highlight. Application of the agreements may be suspended if an EU member state or any of Switzerland, San Marino, Monaco, Andorra, Liechtenstein, the associated and dependent territories of EU member states should cease to apply the measures.

The agreements provide for the recognition of a Cayman UCITS equivalent [Undertaking for Collective Investment in Tradable Securities], that is, a retail mutual fund, that enables Cayman's non-retail mutual funds to be excluded from the scope. The bulk of the Cayman Islands Mutual Fund Industry involves non retail funds. Just as those products are excluded within the EU itself, with the Cayman UCITS equivalent being a mutual fund licensed under section 5 of the Mutual Funds Law (2003 Revision) and listed on the Cayman Islands Stock Exchange, which will be so defined under the Regulations to be made under the Bill if it becomes law.

There is also a mutual agreement procedure for the respective competent authorities. Confidentiality is required in respect of any information provided. And There is provision for termination of the agree-

ment.

Madam Speaker, I now turn to the Bill itself, which was Gazetted on 25 May 2005 and which was subject to much industry consultation.

The Bill has 9 clauses, and is a simple piece of enabling legislation. The key provisions are as follows:

**Clause 1(2)** provides that the Law come into force on such date as may be appointed by order made by the Governor, and "Governor" is defined in the Bill, as "Governor in Cabinet." The EU has officially set 1 July 2005 as the implementation date for the Directive and therefore implementation of the associated agreements will need to follow suit.

**Clause 2** provides for the key terms such as 'paying agent', 'savings income' and 'relevant payee' to be defined in regulations. Those definitions will track with the definitions in the agreements that are attached as Schedule 1.

**Clause 6** empowers the Governor in Cabinet to make regulations for those purposes and to prescribe other matters such as the obligations of paying agents, reporting forms to be used, and non-compliance penalties.

**Clause 4** designates the Financial Secretary as the competent authority for the purposes of the Law and its scheduled agreement and it also sets out the principal function of the authority, which include issuing guidance notes, receiving prescribed information from paying agents, issuing tax residence certificates and compliance monitoring.

For efficiency, it is intended to delegate the competent authority functions to the Tax Information Authority that has been designated under the Tax Information Authority Law, 2005.

**Clause 9** was requested of the Cayman Islands to cover the position of a number of EU member states that will be unable to complete their ratification procedures in respect of the bilateral agreements with the Cayman Islands prior to the implementation date of 1 July 2005. Therefore, in accordance with the Vienna Convention on Treaties, allowance is made in Clause 9 for a one-year maximum provisional application period.

Madam Speaker, as will have been noted from the points that I have made thus far, the primary legislation represented by this Bill will be supplemented by regulations and guidance notes. Both the regulations and guidance notes have been the subject of focused industry consultation to ensure that the terms of the agreement are implemented in a manner that makes sense in the Cayman context.

These regulations and guidance notes are at an advanced stage of development. In terms of timing, neither the required regulations nor the guidance notes can be made before this Bill is passed into law, and there will be a 'bedding in' time for both the former, as the first reporting of information is not due to occur until mid-2006.

Madam Speaker, I therefore commend The

Reporting of Savings Income Information (European Union) Bill, 2005, to this Honourable House for passage.

Thank you, Madam Speaker.

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

The Honourable Leader of the Opposition and First Elected Member for the district of West Bay.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

While I was the Leader of Government Business it was always our position that the directive, as it stood in the early stages, was poor economic policy and that the United Kingdom should not have allowed it to be extended beyond the territorial limits of the European Union. However, we made every effort to protect the Cayman Islands against this misconceived initiative. The original initiative, after much dissention, complaints and negotiating, meetings, trips to the United Kingdom, meetings here, meetings in Brussels, that initiative was watered down and in its final form it was less damaging to these Islands.

That having been accomplished, a number of important concessions were granted by the United Kingdom to us as a result of our strong, but fair negotiations designed to protect and enhance the Cayman Islands, our financial industry and our people. Despite the concessions granted last year by the United Kingdom, it was still our view that the initiative would not be as beneficial to these Islands. In true democratic fashion at meetings with the financial industry, the Government indicated that it did not feel that any further concessions could be negotiated with the United Kingdom and that our view of the initiative, even with the concessions, was that it would be expensive to implement. But it was up to the financial industry to make the final decision on whether to accept what the United Kingdom was offering us as offsetting measures.

If we all recall, because this Honourable House and most Members of the House would have been kept up to date via statements by myself or the Honourable Financial Secretary throughout the course of negotiations and discussions on the Directive, the United Kingdom, through the Paymaster General, Dawn Primarolo, clearly indicated that they were preparing to implement the Directive through direct legislation in the Commons if the Cayman Islands did not agree to implement the Savings Directive, in which event there would be no concessions for the Cayman Islands. Let me clearly say, if we had gone that route, while we said we would challenge them, they would have put a bill through the Commons and therefore we would have gotten no benefit whatsoever and no concessions would have been made to us.

The financial industry, at the last meeting held with them at the Hyatt, overwhelmingly voted for the Government to accept the concessions and the Directive. In the spirit of consultation, partnership and democracy the Government accepted the advice of the financial industry to accept the Savings Directive. In spite of all this, it should not be forgotten that the United Kingdom's initial position was that the original Initiative would have to be accepted by the Cayman Islands with no concessions from them. That was the original position. As I said, in our strong stance against what was being attempted we did not back off. This was a very hard-fought battle, which included a case before the European Court of Justice which ultimately led to the negotiating table because that is not where we were in the first instance. We were called to London and told this is what is going to happen, then the resultant concessions.

I assume, and we hope that the present administration is ensuring that the hard-fought for concessions will be implemented. I think that as an administration we did well in getting this watered down and getting it to the extent that something is being offered to the Cayman Islands.

I thank you.

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

I recognise the Honourable Minister responsible for Education.

**Hon. Alden M McLaughlin, Jr:** Thank you, Madam Speaker.

I rise to speak to the Reporting of Savings Income Information (European Union) Bill, 2005, on behalf of the elected arm of Government on the basis that on 1 July, as has been previously reported, I will be the Minister with responsibility for the international initiatives affecting the financial services industry and therefore the spokesman on behalf of the Government in relation to such matters.

This Bill is a necessary consequence of the commitment made by the Cayman Islands to implement the provision of information measures contained in the EU Savings Directive by way of bilateral agreements with the twenty-five EU member states. This commitment was made by the previous Government by way of a Government Motion in this Honourable House on 13 February 2004.

The Honourable Leader of the Opposition has spoken about the difficulties arising as a result of this commitment, but this Government has little time to dwell on what could have been or what should be in relation to these matters. Having committed to the EU Savings Directive it is this Government's position that Cayman's economic interests are ill served by perpetuating uncertainty about the implementation.

Indeed, we take the position that this Bill currently before the House ought to have been passed some time ago, and that the delay by the last Gov-

ernment has not served us well. Therefore this Government brings this Bill at the first available opportunity, having ensured that there has been adequate consultation with the private sector and ensuring also the observation of the twenty-one day notice period required by Standing Orders.

I should say that there was and remains considerable pressure to have this Bill passed to enable various commitments in terms of deadlines to be met, in relation to notice periods and so forth, based on the original commitment which has been made.

Madam Speaker, I think it is worth noting that there is an important legal distinction to be drawn between the EU Savings Directive itself and the bilateral agreements into which the Cayman Islands entered. The agreements themselves state categorically that the Cayman Islands is not within the EU fiscal territory. Indeed, as a matter of fundamental European Union Law and EU Directive cannot apply to the Cayman Islands or to any territory not named in Article 299 of the treaty establishing the European community. This is precisely the reason for the bilateral agreements which, as the term suggests, arose from parallel negotiations with and through the United Kingdom.

The commitment undertaken via the bilateral agreements is specific to the measures contained in the EU Savings Directive as of 26 June 2003. Simply amending the Directive on the EU side will not operate so as to amend automatically the bilateral agreements. The larger point in all of this is the Cayman Islands is not an appendage of the European Union. And while we respect the fact that the UK is a EU member state this does not obviate the obligation of the UK to engage with the Government of the Cayman Islands in good time and in utmost good faith and on matters that are of mutual concern and interest.

I can say that this Government has conveyed to His Excellency the Governor and to Mr. Robert Cushman his recent visit to these Islands, that it is very important to the financial industry and to this Government of these Islands that matters of importance such as this have sufficient lead time to enable us to discuss the implications and plan for the implementation of these types of directives and agreements.

We have to avoid the uncertainty and the questions about why it is all being done that often arise in relation to such matters when matters appear to be railroaded through the Legislative Assembly in order to give effect to international agreements. This Government has conveyed to Her Majesty's Government, in the clearest possible terms, our dissatisfaction in the way these matters have been handed often in the past and have sought their understanding and agreement to deal with these matters differently to treat us as a matured jurisdiction entitled to give input, entitled to discuss the implications of such matters on the Cayman Islands and in particular on the financial industry.

I should say that the response has been to the satisfaction of this Government and we do have a clear indication that in the way forward there will be much more discussion and lead time permitted for the Cayman Islands Government to consider these matters.

Madam Speaker, in that context as well as generally, the Government's policy will be to ensure that at all times the best interests of the Cayman Islands are relentlessly pursued. This clearly includes the support and protection of the financial services sector of which I have just spoken.

As the Honourable Third Official Member has said, given the nature of our industry in terms of structure and client base, while there will be appreciable compliance costs in both the public and private sectors associated with agreements, I would venture to suggest that an avalanche of reporting on EU individuals' savings income is not a sensible expectation for our treasury colleagues in the EU member states.

In the context of discussions with the UK in connection with bilateral agreements, Madam Speaker, there were certain undertakings given by the UK, and the Honourable Leader of the Opposition has referred to some of them, but very few of those concessions have actually come to any fruition thus far. The one that is notable that has actually come to be is the recognition of the Cayman Islands Stock Exchange under the UK Taxes Act with resulting increase business flows to the Exchange. The chief undertaking which relates to the negotiation of a comprehensive taxation agreement that will not only include information exchange provisions but also provisions to ensure that in relation to the allocation of taxing rights and the application of the UK Tax Regime economic activity between the UK and the Cayman Islands can benefit from a transparent commercially certain and non discriminatory framework is yet to come about. That will require considerable negotiation and discussions over a period that is perhaps as long as eighteen months.

I can confirm that this Government fully intends to pursue these negotiations to a successful conclusion as well as to follow up on all of the UK undertakings as a priority. I look forward to being closely involved in this as I take up my new role in the policy arena on matters affecting the financial services sector.

Madam Speaker, with those brief remarks I also commend to this Honourable House the Reporting of Savings Income Information (European Union) Bill, 2005.

Thank you.

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

The Honourable First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

My contribution as it relates to the Reporting of Savings Income Information (European Union) Bill, 2005 will be quite brief and solely for the purposes of clarity from the Honourable Third Official Member if he is in a position to so do.

As it relates to the various obligations and very loosely put concessions that were in fact a legitimate expectation on the part of the Cayman Islands Government, I wonder whether in his winding up he could inform the Honourable House as well as the general public (saving except the one that was mentioned by the Honourable Minister of Education, that is the establishment of the Stock Exchange some time ago) whether or not there are any other ones that we can expect on the expected passing of the Government Bill here today. And if at some stage he could perhaps make a statement or the Leader who is now responsible, the Minister for Education or for financial matters, as to what obligations or concessions can the country legitimately expect to receive as a result of this commitment.

Madam Speaker, as memory would serve, these commitments were conditional commitments based on the fact of expectations from the UK and there was a long list put together by the financial technocrats and in fact surfaced from time to time as the Cayman Finance team went overseas and did their very best in order to protect the finances of this country.

I would also be most grateful and appreciative if the Honourable Third Official Member would give us a bit more insight as to what is envisioned under section 6(e) of the said proposed Bill as it relates to penalties for non-compliance so that the general public would have an idea as to what the expectation would be. I note with keen interest that the regulations and guidance, as he is empowered to so do with this proposed legislation, has been around for consultation, if I understood him correctly. Perhaps he would be in a position to share with us what can be expected seeing that finance in this country is one of the two most significant pillars in our community.

Section 6 also gives the power to make regulations by the Governor, and the Governor as defined in section 2 means the Governor in Cabinet (which I am happy to see). I just wonder whether the Honourable Third Official Member could give this Honourable House a timeline (seeing that there is no objection this far and there should be reasonable expectation for safe passage of this Bill in the Honourable House today) as to when the guidance notes and regulations would be approved and implemented.

Secondly, could he perhaps say whether the United Kingdom is expecting to so approve these regulations and guidance notes prior to the Governor in Cabinet as is set out in section 2?

Those are my only queries, and I keenly await responses thereto either in this forum or at a

more appropriate time if he desires more time. May it please you.

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

If no other Member wishes to speak does the Honourable Third Official Member wish to exercise his right of reply?

**Hon. G. Kenneth Jefferson:** Yes, thank you, Madam Speaker.

The Honourable Leader of the Opposition made the general point that the Cayman Islands negotiated hard with the United Kingdom in order to get the best possible outcome in respect of the Directive. He also made the point of hinting at the cost to industry of the implementation of the Directive.

I did acknowledge in my initial presentation of the Bill that there will be some compliance costs in respect of the Bill. There will not, in my opinion, be a situation where industry is starting from scratch. The Bill itself, in Schedule 1, under Article 4, speaks to the paying agent having the ability to identify the beneficial owner using information at its disposal, in particular pursuant to a legislation enforced in the Cayman Islands on the prevention and use of the financial system for the purpose of money laundering. So there will be use of existing systems in place now to help in the implantation of the Directive here in the Cayman Islands.

I think the Honourable Minister for Education also acknowledged that there will be some compliance costs but we do not expect a tremendous amount of volume of reports being made back to the United Kingdom arising from this Bill.

The First Elected Member for Cayman Brac and Little Cayman also asked about details of penalties arising under Clause 6(e) of the Bill. Just to say that the intended maximum penalty will be \$3,000, no term of imprisonment. The \$3,000 maximum amount is equal to the figure that is supplied in the UK under their legislation in respect of this same item.

The same Honourable Member is quite right in saying that certain undertakings were provided by the United Kingdom Government in connection with this particular Bill before the House. There are quite a number of them, and I do not propose to actually deal with each of them in turn. The Honourable Minister for Education has stated that we do have recognition for the Stock Exchange and business has increased as a result of that.

There are few of the undertakings that I could make comments on: One was that the Cayman Islands Stock Exchange (CSX) could apply for designated investment exchange status. That particular undertaking is still ongoing and is being pursued by the Stock Exchange.

The most important undertaking provided by the United Kingdom was that the UK and the Cayman Islands Governments would enter into negotiations

with a view to establishing a comprehensive tax agreement between the Cayman Islands and the UK. That is still ongoing. We had, most recently, talks in April of this year in the UK on this matter. The talks are expected to continue late in the summer, perhaps September of this year. We have made use of a major UK law firm to help us with the negotiations. We have a draft of a possible agreement from their perspective which we would then share with the UK to get their view.

The procedure where that initiated from was that we had an initial draft agreement. We had negotiations and discussions, and as a result of that both sides decided that they would amend the initial draft agreement to show their perspective. The next step is to discuss each side's particular drafting.

Madam Speaker, the Honourable Attorney General normally leads those discussions in the comprehensive tax agreement.

The general comment on the undertakings provided by the UK is that they are ongoing and the Honourable Minister for Education has stated that the Government does intend to pursue those undertakings throughout the course of its administration.

I conclude on the Bill by thanking all Honourable Members for their support and their comments on the Bill.

Thank you, Madam Speaker.

**The Speaker:** The question is that a Bill shortly entitled, Reporting of Savings Income Information (European Union) Law, 2005, be given a second reading. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: The Report of Savings Income Information (European Union) Bill 2005 given a second reading.**

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

#### House in Committee at 11.05 am

**The Speaker:** Please be seated.

The House is now in Committee. With the leave of the House I assume that we will continue with the same practice of asking the Honourable Second Official Member to correct minor errors and such the like in these Bills.

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

#### COMMITTEE ON BILL

## The Report of Savings Income Information (European Union) Bill 2005

### Clauses 1 through 9

#### The Clerk:

|          |                                                                                            |
|----------|--------------------------------------------------------------------------------------------|
| Clause 1 | Short title and commencement                                                               |
| Clause 2 | Interpretation                                                                             |
| Clause 3 | Implementation                                                                             |
| Clause 4 | Competent authority                                                                        |
| Clause 5 | Registration on application of Confidential Relationships Preservation Law (1995 Revision) |
| Clause 6 | Regulations                                                                                |
| Clause 7 | Guidance notes                                                                             |
| Clause 8 | Immunity                                                                                   |
| Clause 9 | Transitional provisions                                                                    |

**The Chairman:** The question is that Clauses 1 through 9 form part of the Bill.

The First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you Madam Chairperson.

With reference to Clause 5, where it refers to the power to delegate a designated person by the competent authority, which would be the Financial Secretary; I wonder whether the Honourable Third Official Member is in a position to say what criteria would be established for the designation for such a person?

**The Speaker:** Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Chairman, we have under the Tax Information Exchange Authority an individual who would be carrying out the functions under that law on my behalf as Financial Secretary. Under that particular law it is proposed that that same individual (and this announcement appeared recently in the media) would perform the functions for the competent authority under this particular Bill. The individual is a lawyer and has been in Cayman for quite some time and is well known so he is deemed to be quite able to carry out the particular functions under this particular Bill and he is in post in the Portfolio of Finance already carrying out activities in connection with the Tax Information Authority Law. That same individual would perform the functions under this Bill should it pass into Law.

**The Chairman:** First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Chairperson.

Is the Honourable Member implying that such person envisioned for the designation is not a Caymanian?

**The Chairman:** The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Chairman, the particular individual is a Caymanian. He has acquired Cayman status so he is now a Caymanian.

**The Chairman:** The question is that Clauses 1 through 9 form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

*[Interjection]*

**The Chairman:** Yes, we put the clauses in—1 through 9.

**Hon. W. McKeeva Bush:** *[Microphone not turned on]* I did have a question in regards to Clause 3 in regards to the Governor nominating the suspension of operation of an agreement, and, Madam Chairman, I—

**Hon. V. Arden McLean:** Madam Chairman, with all due respect, if the Leader of the Opposition is going to ask a question he needs to do it in the microphone in order that we have a proper record.

*[Inaudible interjection]*

**The Chairman:** Honourable Leader of the Opposition, First Elected Member for West Bay. Because we have not had the final say on the question being put on Clauses 1 through 9, I will allow you to ask a question on Clause 3.

**Hon. W. McKeeva Bush:** That is why I was not talking in the microphone because we had not got to that point.

Madam Chairperson, I did not raise it in the debate, but I wonder whether there is an intention in Clause 3 to when it says "Governor" whether it means Governor in Cabinet, but whether the legislature would have any knowledge of what agreement is being suspended in regard to this.

Maybe the Financial Secretary could—

**Hon. Alden M McLaughlin, Jr:** Madam Chairman.

**The Chairman:** The Honourable Minister responsible for Education.

**Hon. Alden M McLaughlin, Jr:** Madam Chairman, what I can say is that in keeping with this Government's commitment to openness and transparency we will, as soon as it is practicable, advise this Honourable House and the country as a whole of any



such decisions if they are required to terminate or suspend the operation agreement or to amend the schedule in the Law.

**The Chairman:** The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Chairman, I just make the additional point that in terms of suspension and termination of the agreement, it is the case that the whole foundation on which the Government and the previous administration proceeded on this particular matter would be that the Bill and the directive therefore would proceed on an "all or nothing" basis so that the twenty-five EU member states, including the dependencies of the UK and the Netherlands would all proceed on the same and equal basis and there is provision if any one of those EU member states or dependencies were, for a particular reason, to suspend or terminate their agreement then it would call into jeopardy the entire arrangement and therefore it would be, I envisage in that circumstance, the circumstance in which a suspension or termination of the agreement would take place. But it is not envisaged, obviously, to be the norm.

**Hon. W. McKeeva Bush:** Madam Chairman.

**The Chairman:** Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** I thank the Financial Secretary. It is what I was getting after. I knew that was the position and if it came to that point where there is a backing out, let us say, of the agreement whether we would be informed before or after. The Honourable Minister for Education said they would inform us and that is what I was seeking. Thank you kindly.

**The Chairman:** Before we put the final question does anyone else wish to speak?

The question is that Clauses 1 through 9 form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Clauses 1 through 9 passed.**

#### **Schedules 1 and 2**

**The Clerk:**

Schedule 1 Master European Union Agreement on the reporting of savings income information.

Schedule 2 List of member states.

**The Chairman:** The question is that schedules 1 and 2 form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Schedules 1 and 2 passed.**

**The Clerk:** A Bill for a Law to Make Provision for the Reporting of Savings Income Information and for Incidental and Connected Purposes.

**The Chairman:** The question is that the title do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Title passed.**

**The Chairman:** The question is that the Bill be reported to the House. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. The Bill to be reported to the House.**

**House resumed at 11.16 am**

**The Speaker:** Please be seated. I now call on the Honourable Third Official Member to report on the Bill.

## **REPORT ON BILL**

### **The Report of Savings Income Information (European Union) Bill, 2005**

**Hon. G. Kenneth Jefferson:** Madam Speaker, I am to report that a Bill entitled the Reporting of Savings Income Information (European Union) Bill, 2005, was considered by a Committee of the whole House and passed without amendment.

**The Speaker:** The Bill has been duly reported and is set down for the Third Reading.

Proceedings will be suspended for fifteen minutes.

**Proceedings suspended at 11.17 am**

**Proceedings resumed at 11.40 am**

**The Speaker:** Proceedings are resumed. We have now concluded the business on our Order Paper today. I call on the Honourable Leader of Business to move the adjournment.

## ADJOURNMENT

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. I beg to move the adjournment of this Honourable House until tomorrow 10 am.

**The Speaker:** The question is, is that this Honourable House do now adjourn until 10am, tomorrow morning.

**Hon. W. McKeeva Bush:** Before you take the vote Madam Speaker—

Madam Speaker, will there be a Business Committee afterwards? May I ask the Leader of Government Business?

**The Speaker:** The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. There is a matter on which we will have to confer with the staff here to ensure that procedurally it will be done correctly. So, as soon as we know that, a Business Committee will be called. I hear what the Leader of the Opposition is asking. Perhaps if members of the Business Committee could stay for a few minutes so we will not have to be called back. I respect what you are saying.

**The Speaker:** The question is, is that the House do now adjourn until 10am, tomorrow, 23 June. Will all those in favour please say Aye. Those against, No.

**Ayes.**

**The Speaker:** The Ayes have it. This Honourable House stands adjourned until 10am, tomorrow morning.

**At 11.42 am the House stood adjourned until 10 am Thursday, 23 June 2005.**

**OFFICIAL HANSARD REPORT**  
**THURSDAY**  
**23 JUNE 2005**  
**10.11 AM**  
*Second Sitting*

**The Speaker:** Good morning.

We will have prayers by the Honourable First Elected Member for West Bay and Leader of the Opposition.

I have received apologies from the Minister of Community Affairs, Youth, Sports and Gender Affairs and the Honourable First Official Member for late arrival.

**PRAYERS**

**Hon. W. McKeeva Bush:** Let us pray:

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

*Bless our Sovereign Lady, Queen Elizabeth II; Philip, Duke of Edinburgh; Charles, Prince of Wales, and all the Royal family. Give grace to all who exercise authority in our Commonwealth, that peace and happiness, truth and justice, religion and piety may be established among us. Especially we pray for the Governor of our Islands, the Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council 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.*

**Proceedings resumed at 10.13 am**

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

**Apologies**

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

**Suspension of Standing Order 23 (6)**

**The Speaker:** I call on the Honourable Leader of Government Business for the suspension of Standing Order 23 (6) to allow for more than three questions appearing on the Question Paper in the name of the same Member to be asked.

Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts :** Thank you, Madam Speaker.

In our attempt to speedily answer the questions that have been asked of government Ministers and Members, I beg to move suspension of Standing Order 23 (6) to allow more than three questions, appearing on the Order Paper in the name of the same Member to be asked

**The Speaker:** The question is that Standing Order 23 (6) be suspended. All those in favour please say Aye.

**Ayes.**

**The Speaker:** Those against No. The Ayes have it. Standing Order 23 (6) has accordingly been suspended.

**Agreed. Standing Order 23(6) suspended to allow more than three questions, appearing upon the Order Paper in the name of the same Member, to be asked.**

**Motion to defer Questions**

**Hon. W. McKeeva Bush:** Madam Speaker, if I may. I do not think the First Elected Member for Cayman Brac is here yet. I do not see her and nobody has been deputised to ask these questions. It seems, Madam Speaker, that she is the only one who has questions on the Order Paper. Although I have some very short questions pertaining to finance that I thought would have been on the Order Paper but are not there yet. I would ask that you . . . until she arrives . . . Madam Speaker, I am left in your hands.

**The Speaker:** Honourable Member, are you moving that these questions be deferred until a later point in this Sitting until the arrival of the First Elected Member from Cayman Brac and Little Cayman?

**Hon. W. McKeeva Bush:** That is a good suggestion.

*[Laughter]*

**The Speaker:** Honourable Leader of the Opposition, I need a Seconder.

**Mr. Cline A. Glidden, Jr.:** I beg to second the Motion.

**The Speaker:** The question is that these questions standing in the name of the First Elected Member from Cayman Brac and Little Cayman be deferred to a later point in this Sitting. All those in favour please say Aye. Those against No.

**AYES.**

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

**Agreed. Questions deferred until a later point in the Sitting.**

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

**The Speaker:** I call on the Honourable Minister responsible for Tourism, Environment, Development and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker. The statement is on its way, it is not actually here yet. I did not anticipate we would have reached this item this quickly.

**The Speaker:** Honourable Minister, while we wait—

**Hon. Charles E. Clifford:** I think a copy may have been sent by email to the Clerk.

**The Speaker:** Honourable Minister, this is not normal procedure but while we await copies so that Members may have copies at the end of your statement, the First Member for Cayman Brac and Little Cayman has arrived so we can go back to questions.

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

**The Speaker:** Question No. 4.

The First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker, my apologies for being tardy.

### Question No. 4

**No. 4: Mrs. Juliana Y. O'Connor-Connolly** asked the Honourable Leader of Government Business responsible for the Ministry of Planning, Communications, District Administration and Information Technology if the Government supports the transfer of oil or propane offshore Cayman Brac and Little Cayman.

**The Speaker:** The Leader of Government Business and Honourable Minister responsible for Planning, Communications, District Administration and Information Technology.

**Hon. D. Kurt Tibbetts :** Thank you, Madam Speaker.

Madam Speaker, I am happy to report that an ad hoc committee has been established to consider the matter of ship-to-ship fuel transfer for Cayman Brac and/or Little Cayman. Membership on the committee consists of the following:

- Staff from my Ministry, which is responsible for District Administration and Petroleum Inspection
- Chief Petroleum Inspector
- Shipping Registry
- Department of Environment; and
- The Second Elected Member for Cayman Brac and Little Cayman

I can also report that this Committee is scheduled to meet toward the end of this month on June 30, 2005 to consider a specific proposal for lightering (ship-to-ship transfers) and make recommendations as to whether such a proposal should be supported by Government.

If the lightering operations are supported by Government then royalties must be determined by investigating similar lightering activities in other regions such as the Gulf of Mexico and Aruba. Based on historical file notes on Cayman Brac ship-to-ship transfers, such an operation might add as many as thirty jobs to the Cayman Brac economy.

Madam Speaker, I certainly support efforts to diversify the economy of Cayman Brac and Little Cayman. Lightering can potentially be a considerable revenue earner if sufficient negotiations and contractual arrangements are set in place to preserve and protect our natural marine and land-based environment.

I look forward to the recommendations of the ad hoc committee on ship-to-ship fuel transfers for Cayman Brac and Little Cayman and reporting on their findings to Cabinet and, indeed, this Honourable Legislative Assembly.

**The Speaker:** Are there any supplementaries?

If there are no supplementaries, we will move to Question no. 5 standing in the name of the First Member for Cayman Brac and Little Cayman.

**Question No. 5**

**No. 5: Mrs. Juliana Y. O'Connor-Connolly** asked the Honourable Leader of Government Business and Minister responsible for Planning, Communication, District Administration and Information Technology what are Government's plans for the provision of modern, adequate and safe accommodation for the Civil Service.

**The Speaker:** The Leader of Government Business and Honourable Minister responsible for Planning, Communications, District Administration and Information Technology.

**Hon. D Kurt Tibbetts :** Madam Speaker, on 14 June 2005, the Governor-in Cabinet authorised the Project Manager for the Government Office Accommodation Project (through the Ministry of Planning) to oversee any retro-fit work to the Glass House in conjunction with the Facilities Manager for the Government Administration Building. Specifically, staff is authorised to complete the necessary works to design and construct un-enclosed exterior fire escapes as a matter of urgency with requisite funding to be provided from 2005-2006 Budget.

In addition, the Facilities Manager (in Lands & Survey Department) continues to undertake necessary works to ensure that fire suppression and alarm systems are functional and routinely maintained and tested, including implementation of a proper fire drill response programme.

Regarding overall plans for new office accommodation, Members of the previous Government should be well aware that they were presented with specific recommendations from staff on several occasions, but took no affirmative action on the topic. I have already tasked the staff to report back to Cabinet as a matter of urgency in order that we can move this project forward.

**Supplementaries**

**The Speaker:** Are there any supplementaries?

The First Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

Madam Speaker, as it relates to the last paragraph, specifically where Members of the Government were presented with specific recommendations from staff on several occasions, I wonder whether the Honourable Leader is in a position to say that the Minister then responsible took those recommendations forward.

**The Speaker:** The Honourable Leader of Government Business.

**Hon. D Kurt Tibbetts:** Madam Speaker, in understanding the intent of the supplementary question, all I can say on the matter is that in the substantive answer I said that specific recommendations from staff were presented on special occasions but there was no affirmative action taken on the topic. I think when the lady Member refers to the former Minister she is referring to herself . . . If she is asking me if I know that she took them forward, I do not know that to be a fact but I do not know it not to be a fact.

**The Speaker:** Are there any supplementaries?

The First Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

Madam Speaker, I thank the Honourable Leader for that response and I wonder if he would be so kind as to give an undertaking to ascertain what happened with the recommendations once presented to the past Minister.

**The Speaker:** Honourable Leader, before you answer that question, I think that will have to come in the form of a question at the next Sitting of the Legislative Assembly, as it has nothing to do with the question asked at this time.

Are there any supplementaries?

*[Inaudible interjections]*

**The Speaker:** Honourable Leader of the Opposition, when [we] have something to say we will stand on the floor, we will not get into crosstalk. Thank you.

**Hon. W. McKeeva Bush:** Yes, one more supplementary, Madam Speaker.

**The Speaker:** Honourable Leader of the Opposition, First Elected Member for the district of West Bay.

**Hon. W. McKeeva Bush:** Thank you kindly.

Madam Speaker, can the Minister check the records of Cabinet to see exactly what happened with the recommendations?

**The Speaker:** Honourable Leader of Government Business, if you are prepared to undertake that, would you please reply?

**Hon. D Kurt Tibbetts:** Madam Speaker, I certainly will undertake to track the passage of the events. However, the important thing, Madam Speaker, is to get something done. When I report next on what is being done, perhaps I will take two minutes of that time to speak to those events.

**The Speaker:** If there are no further supplementaries, we will move to Question no. 6 standing in the name

of the First Member for Cayman Brac and Little Cayman.

#### Question No. 6

**No. 6: Mrs. Juliana Y. O'Connor-Connolly** asked the Honourable Leader of Government Business and Minister responsible for Planning, Communication, District Administration and Information Technology how does the Government plan to address the shortage of office space for civil servants on Cayman Brac.

**The Speaker:** The Leader of Government Business and Honourable Minister responsible for Planning, Communications, District Administration and Information Technology.

**Hon. D Kurt Tibbetts:** Thank you. Madam Speaker, on 27 May staff members of the Ministry and I visited with various Government staff in Cayman Brac. They expressed to us that they were experiencing crowded office and filing conditions. Accordingly, since I also have responsibility for Government office accommodations, including those in Cayman Brac, I instructed our office accommodation project manager and facilities management staff to visit the Brac within the next two weeks to investigate the scope of the problem and to make some short and longer term recommendations. I look forward to receiving their advice and reporting back to the Legislative Assembly accordingly with a course of action.

**The Speaker:** Are there any supplementaries? If there are no further supplementaries, we will move to Question no. 7 standing in the name of the First Member for Cayman Brac and Little Cayman.

#### Question No. 7

**No. 7: Mrs. Juliana Y. O'Connor-Connolly** asked the Honourable Leader of Government Business and Minister responsible for Planning, Communication, District Administration and Information Technology is it the Government's intention to continue the street lighting programme along Capt. Mabry Kirkconnell Road on the Bluff, Cayman Brac

**The Speaker:** The Leader of Government Business and Honourable Minister responsible for Planning, Communications, District Administration and Information Technology.

**Hon. D Kurt Tibbetts :** Thank you. Madam Speaker, yes it is the intention of this Government to continue with street lighting programme on Capt. Mabry Kirkconnell Road which has been started by Cayman Brac Power & Light Co. and is being paid for by Government. If I may add, there was a \$30,000 allocation in the 2004-2005 Budget for street lighting in Cayman Brac and these funds have been used, as instructed

by the previous Minister, to have utility poles and street lighting installed at Watering Place affordable housing sub-division and also to start the Capt. Mabry Kirkconnell Road street lighting programme. So, I am not 100 per cent sure if all of the funds have been used, but, certainly, the programme will continue from hereon.

**The Speaker:** Are there any supplementaries? If there are no further supplementaries, we will move to Question no. 8 standing in the name of the First Member for Cayman Brac and Little Cayman.

#### Question No. 8

**No. 8: Mrs. Juliana Y. O'Connor-Connolly** asked the Honourable Leader of Government Business and Minister responsible for Planning, Communication and District Administration does the Government intend to continue with the plans to relocate the Little Cayman Post Office and, if so, when.

**The Speaker:** The Leader of Government Business and Honourable Minister responsible for Planning, Communications, District Administration.

**Hon. D Kurt Tibbetts:** Madam Speaker, I assume that the First Elected Member for Cayman Brac and Little Cayman is referring to the relocation of the Little Cayman Post Office to Block 81A Parcel 22. I can confirm that Block 81A Parcel 22 is Crown-owned property and is comprised of the District Officer's residence.

Immediately in front of the District Officer's residence is a vacant building which was formerly used as a health clinic (which I believe is the location to which she is referring). Having recently visited the well-equipped Health Clinic on Little Cayman and based on submissions from the Postmaster General, the District Commissioner and, indeed, the public in Little Cayman, I would wholeheartedly support the use of this vacant Crown building as a Post Office in Little Cayman.

Regarding the timeframe, I have asked the Postmaster General (in conjunction with the District Commissioner) to report back to me on this as well as funding requirements. On that basis, as soon as I have that information I will be happy to take the matter forward.

**The Speaker:** Are there any supplementaries? If there are no supplementaries, we will move to Question no. 9 standing in the name of the First Member for Cayman Brac and Little Cayman.

The First Member for Cayman Brac and Little Cayman.

**Question No. 9**

**No. 9: Mrs. Juliana Y. O'Connor-Connolly** asked the Honourable Leader of Government Business and Minister responsible for Planning, Communication and District Administration does the Government intent to continue with the development of the new cemetery in Watering Place, Cayman Brac and, if so, when is the anticipated completion date for Phase I.

**The Speaker:** The Honourable Leader of Government Business and Honourable Minister responsible for Planning, Communications, District Administration.

**Hon. D Kurt Tibbetts:** Madam Speaker, the development and capacity planning for the existing cemeteries on Cayman Brac and Little Cayman has been managed by Cayman Brac District Administration for many years, although overall responsibility rests with the Department of Environmental Health (DEH), which is presently under this Ministry until 1 July.

The Department of Environmental Health along with District Administration will undertake to assess the overall cemetery management and life projections of the existing cemeteries on Cayman Brac and Little Cayman to determine if there is a need (and when) for new cemetery developments, including the proposed new one in Watering Place, Cayman Brac.

After this assessment is completed, the Ministry will be in a better position to outline a proper cemetery development strategy that would comply with necessary Planning and other Agency requirements and standards.

Regarding the Member's reference to the 'new cemetery in Watering Place Cayman Brac', it is my understanding that this site was proposed for a cemetery by the Member when she was Minister, but only after the Chief Fire Officer declined to use the site for its original intent as a fire substation. While I understand the site might not be suitable for a Fire Station (given what we learned from Hurricane Ivan), I respect staff's advice that overall cemetery projects should be based on sound planning and management principles.

In any event, I am advised that although the previous Minister specifically advised that Phase I of this Watering Place should proceed post-haste, I understand that staff in Cayman Brac have not had a chance to start on the project. Their time has been spent constructing a fence and wall at the Watering Place Park, which I doubt the Member would wish we divert resources from.

Under the circumstances, I believe it will be prudent for me to be guided by staff advice as indicated above, and I look forward to their assessment report regarding overall cemetery management and life projections of the existing cemeteries on Cayman Brac and Little Cayman so as to determine if and when there is a need for new cemetery developments, including the proposed new one in Watering Place, Cayman Brac.

**Supplementaries**

**The Speaker:** Are there any supplementaries?

The First Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

Madam Speaker, I wonder whether the Honourable Leader is in a position to confirm that there is an existing small private cemetery adjacent to the proposed cemetery in Watering Place.

**The Speaker:** The Honourable Leader of Government Business and Minister responsible for District Administration.

**Hon. D Kurt Tibbetts:** Madam Speaker, I can confirm that that was there before even the lady Member or I was born.

**The Speaker:** Are there any further supplementaries? If there are no further supplementaries, we will move on to Question no. 10 standing in the name of the First Member for Cayman Brac and Little Cayman.

**Question No. 10**

**No. 10: Mrs. Juliana Y. O'Connor-Connolly** asked the Honourable Leader of Government Business and Minister responsible for Planning, Communication and District Administration to provide a list of his scheduled visits to Cayman Brac and Little Cayman for the next three months.

**The Speaker:** The Leader of Government Business and Honourable Minister responsible for Planning, Communications, District Administration.

**Hon. D Kurt Tibbetts:** Madam Speaker, as soon as I am able I will provide the Member and indeed this Honourable House with such a schedule. In the meantime, I can report that my first official visit to Cayman Brac and Little Cayman was from 26 through 29 May. This weekend coming, I plan to attend the Cayman Brac High School Graduation ceremony. Once I return from the Caricom meetings in St. Lucia in early July, I hope to make my next visit.

I can assure the First Elected Member that ample notice will be give of that visit and subsequent visits.

**The Speaker:** Are there any supplementaries? If there are no supplementaries, we will move to Question no. 11 standing in the name of the First Member for Cayman Brac and Little Cayman.

**Question No. 11**

**No. 11: Mrs. Juliana Y. O'Connor-Connolly** asked the Honourable Leader of Government Business and

Minister responsible for Planning, Communication and District Administration to provide an outline of the Budget for the Heritage House at Northeast Bay, Cayman Brac.

**The Speaker:** The Leader of Government Business and Honourable Minister responsible for Planning, Communications, District Administration and Information Technology.

**Hon. D Kurt Tibbetts:** Thank you again, Madam Speaker.

Let me say it is hoped that adequate funding will be available to further develop the Heritage House to fully portray and preserve the heritage of Cayman Brac and Little Cayman, their customs, craftwork and to also portray our pioneers and prominent past leaders as well as to enhance its usage as a centre for community activities and, perhaps, weddings.

I trust that staff will provide me with the necessary recommendations regarding such funding requirements and on that basis I would be pleased to so do.

**The Speaker:** Are there any supplementaries? If there are no supplementaries, we will move to Question no. 12 standing in the name of the First Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker—

**Hon. D Kurt Tibbetts:** Madam Speaker, if I may. I think there may be slight mix-up. This question could well be from the Leader of the Opposition, perhaps if they would just make sure ... I do have the answer though.

**The Speaker:** I can confirm that that is a question from the Leader of the Opposition so I will call on the Honourable Leader of the Opposition, First Elected Member for West Bay for Question 12.

### Question No. 12

**No. 12: Hon. W. McKeever Bush:** asked the Honourable Leader of Government Business and Minister responsible for Planning, Communication and District Administration if the Government will extend the post-Ivan duty concessions beyond 10 June 2005.

**The Speaker:** The Honourable Leader of Government Business.

**Hon. D Kurt Tibbetts:** Thank you, Madam Speaker. I would like to point out to that Member that the existing concessions were in place until 30 June 2005 not 10 June as he asked in his question.

Members are aware that duty concessions have been given on the importation of vehicles of 10 per

cent reduction on applicable rates. A 50 per cent reduction was placed on building materials, furniture, fixtures, appliances and also subsequently on office equipment and furniture.

I would like to answer the question in two parts: Firstly, the concessions as they relate to the building materials, furniture, fixtures, appliances, office equipment and other types of furniture. Secondly, I would like to address the duty concessions on vehicles.

Madam Speaker, the Government has considered very carefully the statistics on imports and revenue collection provided by the Portfolio of Finance and Economics and the Port Authority. We have also looked at the restoration and rebuilding progress that has been made on Grand Cayman especially. The Government is mindful of the progress that has been made in insurance payouts and also the scarcity of building materials. Taking all this information into consideration, we have decided to extend the concession on building materials, furniture, fixtures, appliances, office equipment and furniture to the end of September 2005.

Madam Speaker, the duty concessions on vehicles creates a different scenario. It is now perhaps some ten months after Hurricane Ivan and the majority of people who lost cars have replaced them. The Port Authority statistics indicated that the monthly importation of cars has returned to the pre-Ivan levels.

The Government has consciously decided to end the concession on the importation of vehicles at the end of June 2005. However, all those persons who have been granted concessions up to the end of June 2005 will be honoured regardless of when the vehicle is landed on these Islands. That is to say that these requests for concessions on vehicles are not usually made when the vehicles are landed but when there is intent to purchase the vehicle overseas. So, once these requests are made and all information is available and the grants are done before the end of June, regardless of when the vehicles arrive on the Island those concessions will be granted.

I should also add, Madam Speaker, that the Governor in Cabinet, under section 48 of the Customs Law (2003 Revision), can waive duty in specific cases.

**The Speaker:** Are there any supplementaries? Are there any supplementaries?

If there are no further supplementaries, we will move to Question no. 13 standing in the name of the First Member for Cayman Brac and Little Cayman.

### Question No. 13

**No. 13: Mrs. Juliana Y. O'Connor-Connolly** asked the Honourable Minister responsible for the Ministry of Tourism, Environment, Development and Commerce, does the Government intend to continue construction of the Fire Stations in Bodden Town and Cayman Brac.



**The Speaker:** The Honourable Minister responsible for the Ministry of Tourism, Environment, Development and Commerce.

**Hon. Charles E. Clifford:** Thank you very much, Madam Speaker.

The answer: construction of the proposed fire stations in Bodden Town and Cayman Brac has not commenced. However, the Fire Services Department continues to monitor and assess the Department's capability to provide timely response to emergencies throughout these Islands. The former government had approved the establishment of fire stations in Bodden Town and Cayman Brac but deferred these projects after Hurricane Ivan. The Fire Department has reassessed the situation and submitted technical recommendations on both proposed developments.

### **Bodden Town**

The Fire Department has long established that there is a pressing need to provide a base for responding to emergencies in Bodden Town. It is important to note, however, that while funds were eventually approved for a Bodden Town fire station, the former UDP Government did not initially support the budget request to build the fire station in Bodden Town. In fact, the originally approved 2004-5 Budget did not include the Bodden Town fire station despite the department's recommendation and supporting budget submission.

Instead, the department's request was cut from the list of capital development projects and approval was given instead to fund the purchase of land for a fire station in Cayman Brac, although no recommendation had been made to establish such a station.

When the former UDP Government finally approved funding for a Bodden Town fire station, it was during the Supplementary Budget in September 2004, just two months before the election was scheduled to be held.

The Fire Department has consistently maintained the urgency of establishing a fire station in Bodden Town as this is the fastest growing district in the Cayman Islands and there is a significant delay in response times, as fire fighters have to drive from other stations in either George Town or Frank Sound, to respond to an emergency. The Department has advised that this does not facilitate an acceptable response time. Consequently, the Fire Department recommends fast tracking the development of a fire station in Bodden Town to assess the urgent safety needs in that district.

In its report, the report the Fire Department lists a number of issues which make the Bodden Town fire station an urgent priority including the following points:

1. Rapid development in the district.
2. High density of family dwellings.
3. Significant travel distance from George Town to Bodden Town.

4. Inevitable response delays caused by traffic congestion.

5. The need to facilitate a separate staging area for response to a major emergency in the eastern districts as well as to better cope with existing and planned commercial developments.

For the reasons previously cited, the Fire Department has reaffirmed its recommendation that a fire station be established in Bodden Town with work commencing in 2005/06 Financial Year. The work will span two years. In 2005/06, the project will involve site preparation and building design. In 2006/07, the project will involve the construction and fit-out of the Bodden Town fire station, purchase of vehicles, and recruitment and training of staff. The PPM Government supports this recommendation.

### **Cayman Brac**

The Fire Department assessed the proposal to build a second fire station in Cayman Brac and while the Department agrees that there is some merit in the proposal, a number of technical concerns have identified which make it highly inadvisable that the project proceed as originally planned.

The Fire Department's main concerns were the following:

1. Significant financial outlays which would be involved in building two new buildings simultaneously, while also budgeting for the continued expenditures associated with the Department's hurricane recovery. If it is ultimately deemed advisable to proceed, the Department recommends staggering the construction of the second Cayman Brac Fire Station so that it does not exactly overlap the construction of the Bodden Town Fire Station.

2. Following the lessons learned from Hurricane Ivan, the Fire Department advises that the site purchased by the former UDP Government is not suitable for a fire station as it will be vulnerable in hurricane situations. Madam Speaker, the Honourable Leader of Government Business made reference to that in an earlier answer.

The Department has vivid examples of the dangers posed by storm surge. Based on its recent experiences, the Department has undertaken that future stations will only be built on safe, storm-secure sites. In November 2004, the former Minister with responsibility for District Administration was advised that the property which her Ministry had purchased for the Cayman Brac Fire Station, was in fact not suitable for this purpose.

The former Minister had been invited to assist with locating an alternative site but this site had not been identified. The Chief Fire Officer is now already in discussions with the Leader of Government Business and Minister responsible for District Administration regarding alternative locations and it is anticipated that a site will be identified as soon as possible.

3. There is a much lower occurrence of domestic fires in Cayman Brac than in Grand Cayman. However, like Grand Cayman, the Brac faces a significant hurricane threat. These hurricane emergencies present distinct need that is not addressed by current plans and indeed would have been impossible from the proposed site. Instead, the Fire Department has recommended that we optimise the investment and make Cayman Brac more secure by considering design enhancements that would include adding a small Emergency Operation Centre for the coordination and management of emergencies such as hurricanes. The PPM Government supports this recommendation as it produces maximum results for all and in particular for the residents of Cayman Brac.

The PPM Government supports the prudent delivery of fire services in all three Cayman Islands and will make sure any facilities which are ultimately constructed are truly warranted. More importantly, Madam Speaker, the Government recognises it has an obligation to ensure investments actually address the needs they were intended to address. The Fire Department's post-Ivan recommendations more adequately addresses the fire services needs of these Islands and as such, the PPM Government supports the recommendations in principle.

The Government is awaiting more details including detailed costing before a final decision can be made about the scope of the proposed Cayman Brac project.

However, while the responsibility for the Fire Department is being transferred from the Ministry of Tourism to the Portfolio of the Internal and External Affairs, effective 1 July 2005, the Elected Government will continue to ensure that the policy framework and necessary resources are made available to address the needs of all three Islands and that these needs are objectively assessed. This work will proceed under the administration of the Portfolio of Internal and External Affairs.

Thank you, Madam Speaker.

### Supplementaries

**The Speaker:** Are there any supplementaries?

The First Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. Just to say that this answer surely shows why it is important to have a Minister in Cabinet. However, suffice to say, on page two would the Honourable Minister confirm that in his second paragraph, where it starts "In November 2004, the former Minister with responsibility for District Administration was advised that the property which her Ministry had purchased for the Cayman Brac Fire Station was not in fact suitable for this purpose", that this was subsequent to Hurricane Ivan.

**The Speaker:** The Honourable Minister responsible for the Ministry of Tourism, Environment, Development and Commerce.

**Hon. Charles E. Clifford:** Yes, that is correct, Madam Speaker, it was subsequent to that.

**The Speaker:** Are there any supplementaries?

The Honourable Leader of the Opposition and the First Elected Member for West Bay.

**Hon. W. McKeeva Bush:** Madam Speaker, if the station is as important, pressing and necessary as the Minister says, why then is it taking two years? One year to get the design and another year to get it done.

**The Speaker:** The Honourable Minister responsible for the Ministry of Tourism, Environment, Development and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

As the Honourable Leader of the Opposition will be aware the Bodden Town fire station and, indeed, the Cayman Brac fire station, are certainly not the only capital projects the Government is required to carry out and so we cannot simply do everything at once. There is also the question of proper planning, design, staffing, training and ordering equipment.

The Honourable Leader of the Opposition will also be aware that as far as specialised fire equipment is concerned (such as fire trucks) the time that it takes from the placement of order and delivery of vehicle is as long as twelve months.

Thank you very much, Madam Speaker.

**The Speaker:** Are there any further supplementaries?

The Honourable Leader of the Opposition and the First Elected Member for West Bay.

**Hon. W. McKeeva Bush:** Madam Speaker, I would appreciate information as to whether that equipment was ordered.

**The Speaker:** The Honourable Minister responsible for the Ministry of Tourism, Environment, Development and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker. There were a number of fire trucks ordered during this financial year. Part of the problem, again as the Leader of the Opposition will be aware, is that the fire service suffered tremendous loss of equipment and vehicles, following Hurricane Ivan, so most of the equipment that had been ordered will now have to be used at the central headquarters in George Town. That is my understanding. They are simply replacing vehicles that were lost. It does not take us any further in terms of vehicles.

Thank you, Madam Speaker.

**The Speaker:** Are there any further supplementaries?

The Honourable Leader of the Opposition and the First Elected Member for West Bay.

**Hon. W. McKeeva Bush:** Madam Speaker, can the Minister specifically say, if he does not know at this point, if he can find out whether the equipment was ordered? because we intended to build the Bodden Town fire station. That is, as he said there had to be lead time to purchase which takes a year.

**The Speaker:** The Honourable Minister responsible for the Ministry of Tourism, Environment, Development and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

The former Leader of Government Business will be aware that when the original submission was made for the Bodden Town Fire Station and the decision was made prior to coming to Finance Committee to remove it from the Budget the fire trucks associated with that fire station and staffing, for that matter, was left in the Budget. So we had a situation where the decision was taken to remove the station from the Budget but the trucks and staffing were left in the Budget. Subsequent to the hurricane, the vehicles had to be reassigned to the headquarters in George Town because of the loss vehicles during the hurricane.

*[Inaudible crosstalk]*

**Hon. Charles E. Clifford:** Well, the vehicles were ordered for Bodden Town but there was no station in Bodden Town so, Madam Speaker, that made absolutely no sense. Obviously, when the vehicles were lost during Hurricane Ivan, the decision was taken at that point to proceed with ordering vehicles to replace those that had been lost.

**Hon. W. McKeeva Bush:** Madam Speaker—

**The Speaker:** *[Addressing the Hon. Leader of the Opposition]* Honourable Member please wait until I call upon you—

**Hon. W. McKeeva Bush:** Before I rise, Madam Speaker?

**The Speaker:** Yes—

**Hon. W. McKeeva Bush:** Anything you want me to do, Madam Speaker.

**The Speaker:** Are there any further supplementaries?

The Honourable Leader of the Opposition and the First Elected Member for West Bay.

**Hon. W. McKeeva Bush:** *[microphone off, so first part inaudible]*

... it takes a long time, as much as a year, to purchase, therefore that was the intention—to keep the equipment in the Budget to purchase, so that naturally and hopefully the building would have taken a shorter time to build. I do not know whether he said the intention was to purchase for Bodden Town or not. If he has said that the he does not need to say that again but if he has not I would appreciate.

**The Speaker:** Honourable Leader of the Opposition he made that quite clear that the funds were in the Budget were to purchase equipment for the Bodden Town fire station, but the money for the building of the Bodden Town fire station was removed from the Budget. So he made that quite clear in his reply.

We will move on to Question—

The Second Elected Member for West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, in the body of the answer give by the Honourable Minister, in the paragraph titled 'Bodden Town'. The answer makes reference that, "It is important to note that while funds were eventually approved for a Bodden Fire station the former UDP Government did not initially support the budget request to build the fire station in Bodden Town."

Further on in the answer there is an outline of a timeline in regard to building of this particular fire station. The House has been told that the reason it is overlapping two years is because there are other priorities in regard to capital development. So, I am not so sure... the question is, as the Honourable Minister has rightly said, where—

*[Crosstalk]*

**The Speaker:** Can we stop the cross talk and get on with the questioning of the Minister please?

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker, I will. Thank you for protecting the interests of the minority.

**The Speaker:** It is my duty.

*[Laughter]*

**Mr. Rolston M. Anglin:** Madam Speaker, is it fair then to say that the support purported in this answer is really half-hearted support? Because if this project is so important, and I believe it is, why is it that the residents are going to have to wait up to twenty-four months, another two years to receive—

**The Speaker:** Honourable Member, what is your question to the Honourable Minister?

**Mr. Rolston M. Anglin:** Madam Speaker, that is the question.

**The Speaker:** Could you repeat it?

**Mr. Rolston M. Anglin:** I will gladly repeat it.

Madam Speaker, it gives the impression that the former UDP Government did not support this project and that it is now being supported. I am wondering since the project is vitally important, why is it that it is going to take two years for the public to receive the benefit of such an important project.

**The Speaker:** Honourable Minister of Tourism, Environment, Development and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker. Clearly the former government did not support the project. They initially had the money in the Budget and then they removed it. So, clearly, it was not supported. As far as prioritisation is concerned, Madam Speaker, with respect, I have already answered that question.

**The Speaker:** We will now move to question no. 14. Before we move on to that question, I think it is now—

*[crosstalk]*

**The Speaker:** Honourable Members, the Speaker is speaking, and I would ask for respect until we put the question.

I think we need to move the suspension of Standing Orders to go beyond 11 o'clock for the asking of questions.

The Honourable Leader of Government Business.

### **Suspension of Standing Order 23 (7) and (8)**

**Hon. D Kurt Tibbetts:** Madam Speaker, I so move to suspend the relevant Standing Orders to allow Questions to be asked after 11 o'clock.

**The Speaker:** The question is suspension of the relevant Standing Orders, allowing questions to be asked after 11 o'clock. All those in favour please say Aye.

**Ayes.**

**The Speaker:** Those against No. The Ayes have it.

**Agreed: Standing Orders 23 (7) and (8) suspended.**

**The Speaker:** We move to Question No. 14 standing in the name of the First Elected Member for Cayman Brac and Little Cayman.

### **Question No. 14**

**No. 14: Mrs. Juliana Y. O'Connor-Connolly** asked the Honourable Minister of Tourism, Environment,

Development and Commerce, would the Government consider establishing an investment bureau on Cayman Brac with a view to servicing Cayman Brac and Little Cayman.

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Development and Commerce

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

The answer: Madam Speaker, as you may be aware the Cayman Islands Investment Bureau, CIIB, was established in November 2003. While the CIIB previously operated on the focus of the expanding its physical offices, under the PPM Government the CIIB has adopted a more sustainable, pragmatic approach which will focus on building its internal capabilities and developing an inward investment plan which identifies and targets strategic investment areas.

Given the ongoing work to rebuild the CIIB, it is advised that at present it is neither feasible nor efficient to establish an investment office in [Cayman Brac]. The main office in Grand Cayman is in the process of establishing both the internal systems and the policy framework to allow successful operation of the Investment Bureau. It would therefore be premature to establish additional offices at this time.

However, the close working relationship with District Administration has been forged and that office is already providing support for bureau initiatives. While the framework and internal processes are being finalised and approved, the CIIB will seek to identify a liaison officer in districts administration who can, in the interim, facilitate information gathering and provide logistical support for several new initiatives. Discussions to this effect are already ongoing.

It is worth noting, Madam Speaker, that this is only an interim measure. The CIIB has put forward a strategic plan which will be considered by Cabinet shortly. Once the head office indicates that it is ready to fully activate its investment programme, the Bureau will identify a dedicated representative in the Sister Islands, with the appropriate skill sets to facilitate the inward investment plan.

As part of developing an operational and strategic framework of the CIIB, several initiatives specifically benefiting [Cayman Brac and Little Cayman] are already in development:

1. A Small Business Workshop Series is set to begin at the end of July 2005. These workshops are based on the needs expressed by businesses in Cayman Brac.

2. Promotional Materials for investing in Cayman Brac are in development, which also include a section in an advertorial to be published in an international magazine catering to consultants and executives interested in foreign direct investment.

3. A review of Business Establishment Procedures in the Sister Islands will be undertaken as part of the 'Investment Roadmap' initiative. This initia-

tive will provide a detailed view of the investment process in terms of time, cost, and criteria and will provide a means of evaluating Government's regulatory procedures across all three Islands.

As the Bureau matures, the decision on whether or not to open a full satellite office in the Brac will be re-evaluated. Such an office should only be established within the context of an integrated approach to the promotion of the Cayman Islands as a whole. This then ensures consistency of the message being communicated to investors and reduces the costly duplication of resources.

Thank you, Madam Speaker.

**The Speaker:** Are there any supplementaries?

### Supplementaries

**The Speaker:** The First Elected Member for Cayman Brac and Little Cayman

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. With reference to paragraph 3 in the substantive answer, I wonder if the Minister could say if this officer will in fact be a civil servant.

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Development and Commerce.

**Hon. Charles E. Clifford:** The answer to that is yes, Madam Speaker, it will be a civil servant.

**The Speaker:** Are there any further supplementaries?

The First Elected Member for Cayman Brac and Little Cayman

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. With reference to sub-paragraph 2 regarding promotional materials for investment in Cayman Brac, which is in development, I wonder whether the Honourable Member would be so kind as to say who is developing these promotional materials.

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Development and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, within the CIIB, there are marketing officers and they have been in contact with stakeholders in the [Cayman Brac and Little Cayman], and together they are developing the materials. Thank you, Madam Speaker.

**The Speaker:** Are there any further supplementaries?

The First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. With reference to sub-paragraph 1 where it states that a Small Business Workshop Series is about to begin; that these workshops are based on the needs expressed by businesses on Cayman Brac; I wonder whether the Honourable Member is in a position to say what businesses were consulted with for these expressions.

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Development and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker. I do not have that information but the Director of the CIIB is here and I can certainly get him into the Chamber to advise me on that. Otherwise I could undertake to provide the Member with the answer in writing. Thank you, Madam Speaker.

**The Speaker:** The First Elected Member for Cayman Brac and Little Cayman

**Mrs. Juliana Y. O'Connor-Connolly:** Madam Speaker, it would be sufficient if he would supply it in writing. I would be most grateful.

**The Speaker:** If there are no further supplementaries, we will move to Question 15 standing in name of the First Elected Member for Cayman Brac and Little Cayman.

### Question No. 15

*(Deferred)*

**No. 15: Mrs. Juliana Y. O'Connor-Connolly** asked the Honourable Minister responsible for the Ministry of Health Services, Agriculture, Aviation and Works whether or not the security x-ray machine at Cayman Brac Airport will be replaced and, if so, when.

### Motion to Defer the Answer to the Question Standing Order 23(5)

**Hon. Anthony S. Eden:** Thank you, Madam Speaker. Under Standing Order 23(5) I beg that this question be deferred until the next Sitting of this Meeting.

**The Speaker:** The question is that Question No. 15 be deferred to the next Sitting. All those in favour please say Aye. those against, No.

**Ayes.**

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

**Agreed: Question No. 15 deferred for answer until the next Sitting.**

**The Speaker:** That concludes Question Time.

## STATEMENTS BY HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

### Closure of the CIIB (Hong Kong) Office

**The Speaker:** I call on the Honourable Minister responsible for Tourism.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker. I would like to provide this Honourable House as well as the general public with an update on the Cayman Islands Investment Bureau (CIIB). There have been a number of developments regarding the CIIB which demonstrate that it is taking a more rational approach to strengthening its capabilities, improving dialogue with the private sector, and better aligning its resources toward achieving maximum results for the people of the Cayman Islands.

For example, the CIIB recently submitted its first draft strategic plan covering the period of 2005/06. The Plan focuses on building a solid framework in order to more effectively facilitate and secure appropriate inward and local investment in the Cayman Islands. The plan is due to be considered by Cabinet shortly as well as an investment proposal which looks at pairing an overseas investor with a local small business in order to strengthen Cayman's local product offerings. The CIIB is also working on a number of initiatives specifically targeting Cayman Brac and Little Cayman. These are just a few examples of how the CIIB is preparing a credible, sustainable, and inclusive way forward.

Among other aims and objectives, the Strategic plan seeks to rationalise the Bureau's decision-making processes, particularly as it applies to the growth of its satellite offices. Following the recent resignation of the CIIB representative in Hong Kong, Mr. William Connolly, the Ministry of Commerce in conjunction with the CIIB, has taken the opportunity to reassess the viability of the CIIB Hong Kong office and its contribution to the economic development goals of the Cayman Islands.

### Objectives of the Hong Kong Office

The Hong Kong office began operation in August 2004 and was officially launched by the previous Minister for Commerce on 15 March 2005. The launch had been rescheduled from the original date of 15 September 2004 due to Hurricane Ivan.

The primary objectives of that satellite office were to assess the inward investment potential of the Hong Kong area, to raise the profile of the Cayman Islands as an investment destination, and to generate inward investment leads.

### Operational Issues

One of the key challenges of the Hong Kong office was the pro-active generation of investment leads through relationship building with investors in Hong Kong, and convincing them of the merits of investing in the Cayman Islands. The difficulty with this activity is that the Cayman Islands Economic Development Plan 2004-2009 provides very limited guidance as to the type of investment that should be pursued in light of national economic development goals. An Investor Targeting Strategy is therefore needed in order to identify what types of investors will be the focus of the Bureau's attempts to generate inward investment.

Furthermore, in order to promote inward investment to the Cayman Islands from the Hong Kong area, this would entail direct competition with Chinese agencies in order to attract away investors seeking to enter the low-cost Chinese market. With these difficulties in mind, there were two alternate options for the operation of the CIIB Hong Kong office:

One option was to operate the office as a Tourism satellite office. From the inception, the Department of Tourism has consistently stated its position that an office in Asia will not provide any value to the Department of Tourism.

A second option was to operate as a promotional office for the Financial Services industry. The Portfolio of Finance and the Cayman Islands Shipping Registry have stated that they are neutral at best on the operation of the office in this regard. Further, it was indicated that Hong Kong was not the preferred location in Asia for the establishment of a financial services office.

### Efficiencies

The operation of the CIIB Hong Kong office was estimated to cost approximately CI\$16,127 per month, comprised of salaries, rent and other operational expenses. In addition, the office is equipped with approximately US\$9,675 of assets.

### The Potential for Generating Inward Investment

To justify the continued expense of maintaining a physical presence in Hong Kong, it is important to consider the major and likely sources of foreign investment.

Of the countries in which the Investment Bureau currently has offices, namely the United States, the United Kingdom, China and the Cayman Islands, an examination of worldwide statistics shows that the U.S. was the single largest source of approximately 3,800 investment projects in 2004 with an estimated job creation total of 360,000 jobs. The U.K. was fourth on the list with approximately 800 projects with around 60,000 jobs. China was 15th on the list with approximately 300 projects.

The basic message from this data is that the U.S. is still the biggest player when it comes to foreign investment. It is the biggest source for investment pro-

jects and job creation in foreign countries, and is therefore a market in which many competing jurisdictions' investment agencies are pursuing investment projects. The U.K. and Europe more widely are also significant sources for investment projects, while countries in Asia-Pacific are relatively poor sources for investment projects.

With the potential of the U.S. market, the CIIB recommends prioritising the further development of the Bureau's New York office rather than directing limited resources toward the resuscitation of the Hong Kong office. Madam Speaker, it is the government's responsibility to be a good and responsible steward of public funds. The need for responsible financial management is even more pronounced given the financial burdens which this country faces in the aftermath of Hurricane Ivan. In contrast to the past, decisions will now be taken with more responsibly balanced priorities and safeguard the interests of the people of these Islands. The CIIB has confirmed that it cannot currently justify funds being spent in speculative markets but rather it must redirect its resources to markets that demonstrate the greatest return on investment.

#### **Private Sector Feedback**

A consultative meeting was held on 20 June 2005, with representatives of the various private sector companies that were involved with the launch of the Hong Kong office to solicit their feedback on the future of the office. The consensus was that the CIIB did not need to be the vehicle for maintaining the Cayman Island's continued presence in the Asia-Pacific region. It was agreed that Cayman could continue to be supported by the Cayman Islands based law firms which have a presence in Hong Kong. Indeed, at the launch of the Hong Kong office in March, the majority of the attendees were representatives of companies that already had strong links with Cayman. This strategy demonstrates true public and private sector partnership and is a sensible approach to continuing to promote Cayman's financial industry.

In terms of the region as a source of inward investment, it was further stated that the potential of this region has yet to be realised, and although the area remains an important long-term consideration, the country cannot justify the short-run costs of maintaining a physical presence, particularly at this time given our country's ongoing hurricane recovery.

#### **The Way Forward**

Given the issues and concerns stated previously, the government and private sector agreed the way forward as follows:

- Close the physical office of the CIIB in Hong Kong;
- Maintain the registration of Cayman Islands Investment Bureau (Hong Kong) Ltd.;
- Set up a telephone answering system to redirect calls; and

- Re-evaluate a presence in Asia, perhaps even Hong Kong, as a base for future operations for the CIIB in the context of an Investor Targeting Strategy once this has been developed.

I wish to advise Ministers and Members of this Honourable House and the people of the Cayman Islands that Cabinet has fully endorsed this recommended course of action and the closing of the CIIB Hong Kong office. The savings which can be realised from this rational decision which has been supported by the private sector, will be redirected to markets with greater and more immediate strategic prospects for these Islands. Thank you, Madam Speaker.

#### **Short Questions** Standing Order 30(2)

**The Speaker:** Honourable Leader of the Opposition. Are you rising under Standing Order 30(2)?

**Hon. W. McKeever Bush:** Thank you Madam Speaker. Yes, short questions.

**The Speaker:** Please continue, I will allow two short questions for clarifications under the statement.

**Hon. W. McKeever Bush:** Thank you Madam Speaker.

Can the Minister say which firms were represented in the consultative meeting and whether indeed the only approach of the CIIB was to promote the financial industry?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Development and Commerce.

**Hon. Charles E. Clifford:** I did not get the second part of the question but I can answer the first part and the Leader of the Opposition can repeat the other part when I am finished.

**The Speaker:** The Honourable Leader of the Opposition has agreed for you to reply to that part of his question and he will re-ask the other part. Please go ahead Honourable Minister of Tourism.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker. The consultative meeting which was held on 20 June 2005, at that meeting all of the Cayman Islands law firms that have offices in Hong Kong were represented and so was the Chamber of Commerce.

So there were representatives from the Chamber of Commerce as well as the law firms of Walkers, Maples and Calder, and Appleby Spurling Hunter. There were also representatives from the Portfolio of Finance, the staff of the Investment Bureau was present and the Director of Tourism was also present at that meeting. Thank you.

**The Speaker:** Honourable Leader of the Opposition your second short question.

**Hon. W. McKeeva Bush:** From the answer it seems that it was only the very largest firms represented and specifically from what the Minister said is the finance industry. I am satisfied with that answer. I have gleaned what I need to know.

## GOVERNMENT BUSINESS

### BILLS

#### THIRD READING

##### The Reporting of Savings Income Information (European Union) Bill 2005

**The Speaker:** The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Speaker, I beg to move that a Bill entitled, the Reporting of Savings Income Information (European Union) Bill 2005 be given a Third Reading and passed.

**The Speaker:** The question is that a Bill shortly entitled, the Reporting of Savings Income Information (European Union) Bill 2005 be given a Third Reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. The Reporting of Savings Income Information (European Union) Bill 2005 given a third reading and passed.**

##### Motion to suspend Standing Order 24 (5)

**The Speaker:** Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** 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 Motion that seeks the Legislative Assembly's authorisation for executive financial transactions in respect of the financial year 2005/2006 to be incurred of an advance of an Appropriation Law for that same financial year.

**The Speaker:** The question is that Standing Order 24(5) be suspended. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Hon. G. Kenneth Jefferson:** Madam Speaker, I crave your indulgence. I had some comments to make before you took that decision—I wonder if you could assist me in allowing me to make those comments.

**The Speaker:** Honourable Member it was my overlooking of not opening the Motion for debate. Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

I would like to start by saying that you have made it abundantly clear that you will not be condoning the routine and wholesale suspension of Standing Orders, and this position is understood and respected by Government.

The first example of Government demonstrating its resolve—

**The Speaker:** Honourable Third Official Member if you would give me an opportunity to get this situation straight before. The question is that Standing Order 24(5) be suspended. The Motion has been duly moved, does the Honourable Third Official Member wish to speak thereto?

**Hon. G. Kenneth Jefferson:** Yes, Madam Speaker.

**The Speaker:** Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker, I said a few seconds ago that you, as Speaker, would not be condoning the routine and wholesale suspension of Standing Orders and this position—

*[Speaker banged gavel]*

**The Speaker:** Please stop the cross-talk so that I can hear the Honourable Third Official Member.

Please continue Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker. I was saying that this position you have outlined is understood and respected by Government.

The first example of Government demonstrating its resolve to comply with Standing Orders relates to the timing of the reporting of Savings Income Information (European Union) Law 2005 that the House considered and passed just a short while ago.

The United Kingdom was pushing hard for the Law to be passed by 30 May 2005. The Government resisted this deadline for the simple but important reason that it would have met non-compliance with the required 21 day notice period for Bills. I used this example to demonstrate that Government is serious about compliance with Standing Orders. You have stated that non-compliance with Standing Or-



ders should only be considered when there is a genuine need to do so. Let me explain why there is a genuine need to seek the suspension of Standing Order 24(5).

Madam Speaker, section 8 of the Public Management and Finance Law states that **“Except as provided in section 12 and 13 [of that same Law], (a) no executive expenses may be incurred; (b) no executive assets may be acquired or created nor loans made; (c) no equity investment may be made; and (d) no borrowing may be made unless authorised by appropriation.”** Madam Speaker, the just mentioned appropriation is normally achieved by the Legislative Assembly passing an Appropriation Law before the start of a financial year.

Let me further explain why it was not possible to introduce an appropriation bill and to have the Legislative Assembly pass this bill into Law before the start of the upcoming 2005/2006 financial year.

The 2005/2006 financial year is in respect of the twelve month period from the first of July 2005 to 30 June 2006. The Budget preparation process normally starts in October of each year. The process for the preparation of the 2005/2006 Budget was severely disrupted by Hurricane Ivan and further complicated by the General Elections on 11 May. The Annual Budget is probably one of the most powerful tools available to Government to implement its policies.

The budget process allocates resources to enable the Government to achieve its objectives. It establishes a framework for the stewardship of public sector finances and outlines the expected performance of Government agencies, statutory authorities and government companies.

Madam Speaker, sections 17 to 26 of the Public Management and Finance Law outline the annual budget process. It is a very thorough and detailed process that has five distinct phases. The phases are: “a strategic phase”; a “detailed planning and “budgeting phase”; an “Executive Council collective review phase”; the “Legislative Assembly review phase” and a “document finalisation phase”.

In a normal year the Budget process is carried out over a seven-month period commencing with the strategic phase in October of each year and concluding in the following May culminating with the presentation of an Annual Plan and Estimates Document which is typically a three-hundred-plus page long document, an Annual Budget Statement typically six hundred and fifty pages, Purchase Agreements normally six hundred and fifty pages and Ownership Agreements, three-hundred-plus pages along with an Appropriation Bill for the Legislative Assembly’s consideration. It is then expected that the Legislative Assembly will conclude its scrutiny of the Budget Documents and pass the Appropriation Bill into Law on or before 30 June in order to give Government the required appropriation approval to incur expenditure in the next financial year which would start on 1 July.

It has been a long established practice in a General Election year to delay the preparation of the following year’s Budget until after the General Election. Most Members will know that this type of arrangement is not new. Under the previous financial regime (specified in a now rescinded Public Finance and Audit Law) a Government Motion was brought to the Legislative Assembly to allow expenditure in advance of an Appropriation Bill being approved when the electoral process was disrupted in the normal way.

The practice of authorising expenditure in advance of an Appropriation Law provides the incoming Government with an opportunity to have its policies included in the Budget. In addition an incoming government may inherit a structure of ministerial responsibilities that it wishes to change. Madam Speaker, with the General Elections taking place on 11 May and all Honourable Elected Members being sworn in on 18 May, it would mean that the incoming Government would have had to condense what is normally a seven-month budget process into only 30 working days in order to ....a 30-day time frame is unrealistic.

Madam Speaker, the combination of Hurricane Ivan and the 11 May General Elections meant that the Government needed more than 30 days to prepare and finalise its budget for the 2005-06 financial year.

Madam Speaker, a quick point has just crept into my mind as an illustration of the time needed, and this would not be giving out confidential information. It was reported on the front page of one of our local newspapers. We had the issue recently of the problem of addressing ash that arose as a result of Hurricane Ivan. That was a situation which the Government would have had no opportunity to deal with had it not taken the proper time to do so. So, there will be events popping up, Madam Speaker, which will require the Government more time to reflect and deal with in the Budget preparation process.

Madam Speaker, I said that section 8 of the Public Finance and Audit Law does permit or allow an exception to the general requirement that executive expenses may only be incurred, that executive assets may only be acquired or created, loans may only be made, equity investments may only be made and borrowings may only be made when there is support for such transactions in the form of an appropriation. The exception to this general requirement is provided in section 12 (1) of the Public Management and Finance Law.

Section 12(1) provides that executive financial transactions (and these would cover executive expenses, executive assets, loans made and equity investments and borrowings) may be authorised by a resolution of the Legislative Assembly in advance of a law making appropriations for those transactions, if the resolution is arranged according to each of the appropriation types, specified in section 10 (3). These appropriation types are output groups, transfer pay-

ments, equity investments, loans made and so forth. Also, if the resolution provides that it shall lapse after a period of four months from the date of the resolution.

Madam Speaker, that resolution is to be presented to this Honourable House in the form of a Government Motion. That Government Motion has already been sent to the Clerk's office, so it is physically here.

Standing Order 24 (5) states that "...no Member shall make a motion unless he has given notice in writing of that motion either at some previous sitting of the House, or to the Clerk, not less than five clear days prior to the commencement of the meeting of the House at which such motion is to be made." The previous Sitting of the House occurred on 18 May when all Honourable Members were sworn in. This June Meeting of the House started yesterday, 22 June, five clear days prior to the 22 June would have occurred on 17 June. Madam Speaker, in considering those periods, I believe it is unrealistic to expect a new government, having been sworn in 18 May, to become acquainted with its wide ranging responsibilities to be able to compile and prepare a Government Motion, that sets the beginning of its expenditure needs and to do so by 17 June, the 30 day period from its formation and to have that Motion be sent to the Legislative Assembly to satisfy the requirements of standing order 24(5).

It is important to note that the Government will bring before the four month expiry of the intended Government Motion, an Appropriation Bill and all its accompanying documents and to have such matters discussed in the Legislative Assembly and in Finance Committee. It is equally important to note that as required by section 12(3) of the Public Management and Finance Law, the four month expenditure needs of Government between July and October will be subsumed in the forthcoming Appropriation Bill. This means that the Government will be incorporating its four month expenditure request, set out in the Government Motion in the forthcoming Appropriation Bill.

Thus, as normal, Government will only seek appropriations to cover its needs arising in a twelve month period.

Madam Speaker, I make an obvious point by saying the Government's business must continue for the sake of the Islands. It must continue at the start of the new financial year on 1 July, but not only must it do so, but it must do so in a legitimate manner. As stated previously, the reasonable mechanism by which this can be done is via section 12 (1) of the Public Management and Finance Law. The prior notice period for the associated Government Motion could not be realistically be met and hence the reason for the request that Standing Order 24(5) be suspended.

In order to met the spirit of the five day notice period Standing Order 24 (5), I, on behalf of the Government, do not intend to move the associated Government Motion that sets out Government expenditure

needs until next Wednesday, 29 June. Madam Speaker, this will allow all Honourable Members an opportunity to examine the expenditure request, in the five day period between now and 29 June, thereby complying with the spirit of Standing Order 24(5).

In simple terms therefore, Madam Speaker, rather than provide the five-day notice period before the start of the June Meeting, Government intends to provide the five day notice within this June Meeting. So, the aim is still accomplished.

Madam Speaker, the Government Motion that sets out Government's expenditure needs in the four month period, July to October 2005, as I said is in the office of the Clerk and is therefore available for distribution to all Honourable Members. Should this Honourable House agree to the suspension of Standing Order 24 (5), that Government Motion will be duly circulated to all Honourable Members today and with the approval of the Standing Business Committee, the Motion will be placed on the Order Paper for discussion on 29 June Sitting.

Madam Speaker, I therefore ask that all Honourable Members support the requested suspension of Standing Order 24 (5). Thank you, Madam Speaker.

**The Speaker:** The Motion has been duly moved. Does any Member wish to speak?

If no Member wishes to speak the question is that Standing Order 24 (5) be suspended. All those in favour say Aye. Those against No.

**Ayes.**

**The Speaker:** The Ayes have it. Standing Order 24 (5) has accordingly been suspended.

**Agreed: Standing Order 24 (5) suspended.**

**The Speaker:** I call on the Honourable Leader of Government Business to move the adjournment of this Honourable House.

## ADJOURNMENT

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. I am craving your indulgence for the benefit of all Members of the House, rather than wait until Monday, Ministers and Official Members have given a commitment to prepare as many answers as is possible for questions that are there. As a result I would beg for this House to be adjourned until 10 am Monday morning. At which time we will ask for suspension of Standing Orders in order to answer as many questions as is possible.

**The Speaker:** The question is that this Honourable House do adjourn until 10 am Monday, 27 June. All those in favour, please say Aye.

**Ayes.**

**The Speaker:** All those against, No. The Ayes have it.

**At 11.43 am the House stood adjourned until 10  
am Monday, 27 June 2005.**



**OFFICIAL HANSARD REPORT**  
**MONDAY**  
**27 JUNE 2005**  
**10.15 AM**  
*Third Sitting*

**The Speaker:** I call on the Honourable Leader of Government Business to say prayers.

**PRAYERS**

**Hon. D. Kurt Tibbetts:** Let us pray.

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

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

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

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

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

**Proceedings resumed at 10:18 am**

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

**Apologies**

**The Speaker:** I have apologies from the Honourable Minister for Health Services, Agriculture, Aviation and

Works who will be away from the 27-30 June, the Honourable Minister for Tourism, Environment, Development and Commerce who is off Island from 27-29 June.

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

**Suspension of Standing Order 23 (6)**

**The Speaker:** I call on the Honourable Leader of Government Business to move the suspension of Standing Order 23 (6) to allow more than three questions, appearing upon the Order Paper in the name of the same Member, to be asked.

Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I beg to move the suspension of Standing Order 23 (6) in order that more than three questions may be asked by the same Member on the same day.

**The Speaker:** The question is that Standing Order 23(6) be suspended. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Standing Order 23(6) suspended to allow more than three questions, appearing upon the Order Paper in the name of the same Member, to be asked.**

**The Speaker:** Question No. 16 standing in the name of the First Elected Member for Cayman Brac and Little Cayman is addressed to the Honourable Leader of Government Business with responsibility for the Ministry of Planning, Communications, District Administration and Information Technology.

**Question No. 16**

**No. 16: Mrs. Juliana O'Connor-Connolly** asked the Honourable Leader of Government Business with responsibility for the Ministry of Planning, Communications, District Administration and Information Technology, will the Government support holding at least one Sitting of the Legislative Assembly per annum on

Cayman Brac and, if so, would the Honourable Leader say when the first such Sitting would occur.

**The Speaker:** Honourable Leader of Government Business and Minister responsible for District Administration.

**Hon. D. Kurt Tibbetts:** The answer: Yes, the Government will support holding at least one sitting of the Legislative Assembly per annum on Cayman Brac. However, at this time I am unable to say when such sitting will occur but I will undertake to raise the matter with the Business Committee of the Legislative Assembly and indeed in consultation with your, Madam Speaker. Then we will be able to advise of the date.

### Supplementaries

**The Speaker:** Are there any supplementaries? First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. I wonder if the Honourable Leader of Government Business could indicate as to when he would seek to meet with the Business Committee in consultation with you?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Before I set a time to meet with the Business Committee and even to discuss it with yourself, I wish to obtain logistics so that we know exactly what will have to be done. As soon as I know that we would arrange it and of course we also wish to ensure that the timing of that sitting is not inconvenient for Members, then we will set the date and we will do it as quickly as we can.

**The Speaker:** Are there any further supplementaries? If not we move on to question No. 17 standing in the name of the First Elected Member for Cayman Brac and Little Cayman and it is addressed to the Honourable Leader of Government Business with responsibility for the Ministry of Planning, Communications, District Administration and Information Technology.

### Question No. 17

**No. 17: Mrs. Juliana O'Connor-Connolly** asked Honourable Leader of Government Business what is the Government's timeline for the modernisation of the Cayman Islands' Constitution.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** The Answer: there is no set timetable for the modernisation of the Cayman Islands

Constitution and since this is a matter of great significance that we will have a potentially significant impact on the status quo, the Government wishes to hold further public dialogue before doing so.

Kindly recall the PPM manifesto where the People's Progressive Movement expressed that it would insist that any significant changes require the approval of the people of the Cayman Islands expressed by referendum.

It is the intention of Government to dedicate time to address the constitutional matters over the next 18 months to 2 years. Meanwhile, the United Kingdom is willing and ready to expedite talks as soon as the Cayman Islands wishes to do so.

### Supplementaries

**The Speaker:** Are there any supplementaries? First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

With reference to paragraph two, I wonder if the Honourable Leader of Government Business would say whether or not they have made a decision as to the referendum he refers to—will it be persuasive or mandatory?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, while the question is very relevant, the fact of the matter is (because we have not put our minds to this since being elected) no firm decisions have been made with regard to whether such a referendum would be binding or not.

I would say that I suspect it would be binding, otherwise it would not make much sense having the referendum. But I do not want to take it on myself and say so because we have consulted with no one, including the Opposition.

**The Speaker:** Are there any further supplementaries? The First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Madam Speaker, again with reference to paragraph 2 where it refers to the PPM Manifesto, I wonder if the Honourable Leader of Government Business would be so kind as to provide me with a copy at some time.

**Hon. D. Kurt Tibbetts:** Madam Speaker, certainly I would be happy to do that. I just find it strange that the Member does not have one but, of course, if she wishes one I would be happy to do so.

**The Speaker:** Are there any further supplementaries? If not, we move on to question No. 18 standing in the

name of the First Elected Member for Cayman Brac and Little Cayman and it is addressed to the Honourable Leader of Government Business with responsibility for the Ministry of Planning, Communications, District Administration and Information Technology.

### Question No. 18

**No.18: Mrs. Juliana O'Connor-Connolly** asked the Honourable Leader of Government Business with responsibility for the Ministry of Planning, Communications, District Administration and Information Technology what is the target date to deliver all of Government's services online.

**The Speaker:** Hon. Leader of Government Business.

**Hon. D. Kurt Tibbetts:** In order to set a target date we need a detailed set of plans on providing all of the Government's services online along with the funding approval for the multiple years that will be required to implement such a strategy. Putting all Government services online or implementing an E-Government plan is not a simple process. We first need a plan that includes not only what the people want and prioritising our future online services as we can afford to do them but also by overseeing their timely delivery and ensuring we get the best value possible.

After consultation with all our various stakeholders, we plan to set the yearly priorities and coordinate and oversee Government budgets so that yearly and final target dates can be set and met. The Cabinet office will be assigned responsibility for championing such a solution and coordinating it with the senior management of the Civil Service and various government agencies, decentralised budgets due to the Financial Management Initiative, as well as any future centralised budgets that may be needed to meet our long-term E-Government goals.

We will be assisted by the Computer Services Department, which as of 1 July will report to the Cabinet Office, along with others from both within and without the Government, as they may be needed. We need everyone working together toward a common shared goal. Regular and yearly status reviews and updates on the progress of our E-Government milestones, budgets and expenses will be presented by the Cabinet in the future.

### Supplementaries

**The Speaker:** Are there any supplementaries? First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. I wish to thank the Honourable Leader of Government Business for such a detailed response and would ask him if he would consider including the Legislative Assembly as one of the priority areas once he undertakes his various plans.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** The Member from Cayman Brac and Little Cayman will recall that a few years ago that a motion to that effect was passed and certainly in all considerations the Legislative Assembly will be one of the priorities. I can tell her that.

**The Speaker:** Are there any further supplementaries? If not we move on to question No.19 standing in the name of the First Elected Member for Cayman Brac and Little Cayman and it is addressed to the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs.

### Question No. 19

**No. 19: Mrs. Juliana O'Connor-Connolly** asked the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs what progress is being made on the modernisation of the Civil Service and, in particular, as it relates to personnel.

**The Speaker:** The Honourable First Official Member.

**Hon. George A. McCarthy:** The Answer: Madam Speaker, a key action in our ongoing modernisation of the Civil Service is personnel reform. A bill to provide the legislative mandate for this reform has been drafted and will be brought to this Honourable House following its review and approval by the new Cabinet.

The bill will provide chief officers and heads of departments with much greater authority over personnel matters, including the power to appoint staff and agree remuneration levels with them. It will also repeal General Orders and replace it with a simpler set of personnel regulations. I expect the new law to come into effect on 1 July 2006.

I should also mention, with your permission, Madam Speaker, that quite recently there was a very thorough report given by the Chief Officer of the Portfolio of the Civil Service in the *[Caymanian] Compass* on 16 June 2005 in which he addressed the Cartac group that was here in the Cayman Islands and gave an update as to what was being done with the Civil Service modernisation. Also on 17 June the *Compass* carried in its headlines the benefits that will accrue to the country as a result of proceeding with reform.

**The Speaker:** Are there any supplementaries? If there are not supplementaries we will move to question No. 20 standing in the name of the Honourable Leader of the Opposition and First Elected Member for the district of West Bay; Addressed to the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs. Honourable Leader of the Opposition.

### Question No. 20

**No. 20: Hon. W. McKeeva Bush** asked the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs in light of His Excellency the Governor vacating the Government Administration Building “the Glass House”, can the Honourable Member say what is being done to protect and safeguard other Civil Servants working in the building.

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** The Answer: Madam Speaker, on 14 June 2005, the Governor in Cabinet authorised the Project Manager for the Government Office Accommodation Project, through the Ministry of Planning, to oversee any retrofit work to the Glass House in conjunction with the facilities manager for the Government Administration Building. Specifically staff are ordered to complete the necessary works to design and construct an un-enclosed exterior fire escape as a matter of urgency with requisite funding to be provided from the 2005-2006 Budget.

In addition the Facilities Manager (Lands and Survey) continues to undertake necessary works to ensure that fire suppression and alarm systems are functional and routinely maintained and tested including implementation of a proper fire drill response program. The Facilities Manager has also been requested to ensure that regular “sweeps” of the floors and stairwells of the Glass House are carried out to ensure that any requirement to exit the building is not impeded by furniture and equipment discarded by Ministries, Portfolios, and Departments occupying the Government Administration Building.

Madam Speaker, with your indulgence, again, I would like to point out that this question mirrors one that was given by the Honourable Leader of Government Business to a question that was earlier asked by the Honourable First Elected Member for Cayman Brac and Little Cayman.

### Supplementaries

**The Speaker:** Are there any supplementaries? The First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O’Connor-Connolly:** Madam Speaker, with reference to the last part of paragraph to the answer referring to the unenclosed exterior fire escape, I wonder if the Honourable First Official Member could say whether this is the only condition stopping His Excellency from returning?

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, there are several things that need to be done to the Glass House and the erection of a proper fire escape is one

of these requirements. It is a question that once the retrofitting has taken place that quite likely a further inspection will have to be carried out by the Fire Marshall from the United Kingdom together with our local fire department to determine all of the conditions that are necessary for the building to be deemed safe have been done.

That is the response I can give at this time.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Can the Honourable Member say whether the Governor is still out of the building or if he is back in?

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, His Excellency the Governor is currently working from his home in West Bay Road and Offices are being sought for alternative accommodation.

**The Speaker:** Are there any further supplementaries? The First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O’Connor-Connolly:** Madam Speaker, I wonder if the Honourable First Official Member can say whether or not the UK will be paying for this leased space seeing that they gave the mandate, or will it be from the Cayman Islands Treasury?

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, this matter is being looked into. I cannot say precisely who will bare the cost.

**The Speaker:** Are there any further supplementaries? If there are no further supplementaries we will move on to question No. 21 standing in the name of the Honourable Leader of the Opposition and is addressed to the Honourable Third Official Member.

Honourable Leader of the Opposition.

### Question No. 21

**No. 21: Hon. W. McKeeva Bush** asked the Honourable Third Official Member responsible for the Portfolio of Finance and Economics what was the amount in the Government’s bank accounts at the close of business 10 May 2005.

**The Speaker:** Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** The Answer: The amount in the Government’s bank accounts as stated by Government’s bankers at the close of business on 10 May 2005 was CI\$88,677,808; whilst the amount



in the Government's bank accounts as shown by the Treasury's General Ledger at the close of business on 10 May 2005 was CI\$82,617,600.

The difference between the two positions is CI\$6,060,208. Differences will arise between the two positions and this is entirely normal. Such differences will be resolved and removed by means of the bank reconciliation process that occurs in the Treasury Department.

### Supplementaries

**The Speaker:** Are there any supplementaries? The Third Elected Member for the district of George Town.

**Miss Lucille D. Seymour:** Madam Speaker, I wonder if the Third Official Member could say what amount was the outstanding debt on 10 May 2005.

**The Speaker:** The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Speaker, prior to the General Election on 11 May 2005 the Public Management and Finance Law required the Gazettal of a document called the Pre-election Economic and Financial Update and that document was placed in the Gazette. The document contained some financial information about the forecast position that was expected as at the end of the 2004/2005 year, which is 30 June, and it also went forward for the following two years.

In the balance sheet section it gives information about the debt and borrowings position and the figure that I am about to quote would be the position that the document was envisaging or forecasting to be the position as at 30 June 2005, that would be this week. The figure expected as being our debt figure as at that date was \$211,645,000 approximately. That was the position at 30 June, the question asked the position as at 10 May 2005. There would not have been a substantial difference, if any, between the figure I have just quoted (\$211,645,000) and the position as at 10 May 2005.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, I was surprised to hear a question on what is the outstanding debt, since that was not the question. Nevertheless, Madam Speaker . . .

Rest me, man. Just rest me—

**The Speaker:** Could we continue with the asking of the supplementary question?

**Hon. W. McKeeva Bush:** Obviously the \$211 million is long term debt and the Member has not said what the additional or added-on loan to bring it to \$211 Mil-

lion. I would like to hear that. I would also ask if he can say what and how we got to this \$211 million.

**The Speaker:** Honourable Third Official Member if you are in a position to answer that supplementary we will accept it. If not, you can give it to the Honourable Member in writing. Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Speaker, I cannot answer the question in precise and exact terms but I can answer the spirit of the question.

The Honourable Leader of the Opposition is quite right when he suggested that of the \$211.6 million it is not all payable immediately, that is correct. The vast majority of the \$211.6 million arises from the bond issue which the Government currently has and the Government executed the bond issue back in April 2003.

The figure at that time for the bond issue was, as I recall, at April 2003 US\$163 million approximately. So not a lot of debt has been added to arrive at the current position of CI\$211.6 million that was quoted. Reverting back to the bond issue of US\$163 million executed in April 2003, the main purpose of that bond issue was to refinance existing debt at the time. The truthful position is that the vast majority of the US\$163 million was simply to pay off existing debt of the Government, which was debt on a floating rate basis and the bond issue of US\$163 million was a fixed rate basis. So the bulk of the bond issue 85, perhaps 90-plus per cent of the proceeds were used to pay off existing debt and a small portion of that bond issue was used to finance additional transactions at the time.

That is the spirit of the answer.

**The Speaker:** That concludes question time—

**Hon. W. McKeeva Bush:** Madam Speaker—

**The Speaker:** I have given sufficient supplementaries on this question and that concludes question time.

I have received no notification of statements by Honourable Ministers and Members of the Cabinet. I call upon the Honourable Leader of Government Business to move the adjournment.

## ADJOURNMENT

**Hon. D. Kurt Tibbetts:** Madam Speaker, I beg to move the adjournment of this Honourable House until Wednesday morning at 10 am.

**The Speaker:** The question is that this Honourable House adjourn until Wednesday, 29 June 2005 at 10 am. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**At 10:45 am the Honourable House adjourned until 10 am Wednesday, 29 June 2005.**

**OFFICIAL HANSARD REPORT**  
**WEDNESDAY**  
**29 JUNE 2005**  
**10.17 AM**  
*Fourth Sitting*

**The Speaker:** I call on the Honourable Third Elected Member from the district of George Town to say prayers.

**PRAYERS**

**Miss Lucille D. Seymour:** Let us pray.

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

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

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

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

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

**Proceedings resumed at 10:20 am**

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

**The Speaker:** I have no messages, announcements or apologies from Members.

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

**The Speaker:** Question No. 22 standing in the name of the First Elected Member for Cayman Brac and Little Cayman is addressed to the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs.

**Question No. 22**

**No. 22: Mrs. Juliana O'Connor-Connolly** asked the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs if the Government is considering a salary review for the Civil Service and, if so, when.

**The Speaker:** Honourable First Official Member responsible for the Portfolio of Internal and External Affairs.

**Hon. George A. McCarthy:** The Answer: Madam Speaker, the Government in keeping with its mandate as a considerate and responsible employer intends carrying out a review of Civil Service salaries. It is recognised that the last such review took place in 1997 and it is appropriate to review any anomalies and disparities which may have arisen since.

It is only sensible to recognise that the Government's attention at this time will, of necessity, be focused on the wider community needs, in particular the very considerable issue of infrastructure replacement. The Government is in the process of accessing the cost associated with these priorities and as soon as the financial implications are determined it will turn its attention to carry out a salary review for the Civil Service.

**Supplementaries**

**The Speaker:** Are there any supplementaries? First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. With reference to paragraph three would the Honourable First Official Member concur with me that the Civil Service is an integral part of the wider community?

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Yes, Madam Speaker, I will concur with the Honourable First Elected Member for Cayman Brac and Little Cayman that the Civil Service is a part of the wider community, but what I will invite the Honourable Member to consider is the fact that at this time resources are limited, we are still in a post recovery mode from Hurricane Ivan and we do recognise that prices have escalated significantly and we have to look in terms of the immediate demands that are placed on the country at this time.

Bearing in mind that resources are not unlimited it means that if the Government is going to incur additional costs it will have to look to the public in general for those funds. One would have to look at this very carefully before that approach is pursued at this time.

**The Speaker:** Are there any further supplementaries?  
First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Madam Speaker, I wish to thank the Honourable First Official Member for his answer and I ask whether he would be in a position to consider, in the implementation or carrying out of the infrastructure replacement that those relating to the Civil Service become of paramount consideration.

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, as I mentioned in a part of the answer, first of all there is a level of prioritisation taking place at this time. The Government recognises that costs have escalated considerably and once it is quantified, in terms of what it will take to effect the replacement of essential infrastructure then a determination will be made in terms of the availability of the remaining resources in order to try to address a salary review for the Civil Service. As I mentioned one has not been carried out since 1997, but what the Government does not want to do is send a message of false hope at this time. Because to do so would give the impression that something is going to materialise for the benefit of the Civil Service.

The Government is mindful of this but everyone is going through a difficult time and especially those people that are rebuilding. The funds that they have available oftentimes is just enough to effect the repairs that are necessary to their own homes and if the Government is going to be incurring any additional expenditure over and above the resource base that it has at this time, that money can only come from the public in general. It is a question as to how the present resources that are available are to be allocated. After careful consideration, the Government is looking at that and making an assessment in terms of what should be the priorities.

Just to point out, we have the Budget exercise that is coming up. The Budget is due to be presented to this House in September 2005 and if there is the flexibility for anything to be done for the Civil Service at that point in time, I am sure that the Government will be quite willing to give such consideration.

**The Speaker:** Are there any further supplementaries?  
First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** My final Supplementary, Madam Speaker. Can the Honourable First Official Member confirm that the Civil Service would have a legitimate expectation of a salary raise by or before the expiration of the next four years?

**The Speaker:** Honourable Member I think you are asking the Honourable First Official Member to give an opinion, and I do not think that we can accept an opinion. Would you like to rephrase your supplementary question?

**Mrs. Juliana Y. O'Connor-Connolly:** Can the Honourable First Official Member say that he will take all reasonable steps to persuade the Government to bring a salary increase before the expiration of the next four years?

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, I very much welcome and appreciate the concerns that have been shared by the Honourable First Elected Member for Cayman Brac and Little Cayman, but I do not think that the Government will require any specific persuasion at this time. The Government recognises the problems right across the board.

We have seen in the papers daily what is being said in terms of the low salaries that are being paid. But, Madam Speaker, the Government has a limited pool of resources to work from at this time. This is what will have to be borne in mind because at the end of the day it is the people—the public in general—that pays the bills. And, yes, I will do my best to influence the Government, but I must say that there is a willingness on the part of the Government to address this in addition to other priorities that it will have to marshal as a part of the budget process.

**The Speaker:** Question No. 23 standing in the name of the Second Elected Member for West Bay and it is addressed to the Honourable Leader of Government Business responsible for the Ministry of Planning, Communications, District Administration and Information Technology.

**Question No. 23**

**No. 23: Mr. Rolston M. Anglin** asked the Honourable Leader of Government Business responsible for the Ministry of Planning, Communications, District Administration and Information Technology if the Government will extend the Housing Recovery Grant to those who spent their own money, but would have otherwise qualified.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the Housing Recovery Grant (HRG) received a total of 1,066 applications which were evaluated against criteria to determine need. As a result, 695 applications were approved. This number of approvals currently exceeds the amount granted to the HRG which was CI\$7.5 million.

In cases of persons who were able to pay or who received funding from other sources, it is unlikely that they would have met the criteria of the HRG for assistance. Furthermore, the Housing Recovery Grant was never intended to meet everyone's needs simply because it was physically impossible to do so, but rather to give assistance to those most needy.

Persons in need were provided ample time to make applications to HRG and non-applications may have been due to person or persons having funds available to pay or may have raised funds from alternative sources. Unfortunately, it is not feasible at this time to extend the grant programme particularly as the amount of approvals still exceeds the amount of grant monies available. However, we do appreciate that there may be other vulnerable persons, for example those affected by their insurance company defaulting which warrants further discussion and consideration.

**Supplementaries**

**The Speaker:** Are there any supplementaries? The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, whilst I do appreciate all the information given in the answer I do have in my district (and I daresay all districts of the Islands) elderly persons who on the heels of the hurricane went out and procured with what were their life savings . . . a lot of them are indigents who are on permanent financial assistance. They utilised the few thousands of dollars that they had, all of it, to replace what they had and are currently in a situation where they have absolutely nothing left. I would think that in those cases, maybe some consideration could be given and whether or not the Government would be willing to look at those on a case specific basis.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I hear what the Member is saying and as of now what is going to happen—because we have discovered in nearly all of the districts, including the district which the Member represents, that there are still some people who either for ignorance or for whatever reason have not been helped thus far and are still in the recovery mode. We have to outreach to those people first of all to do as much as we can to assist with those types of persons.

The Member will appreciate that funds are limited. The National Recovery Fund is in the process of doing fundraising. The Government is accessing what resources Government itself financially can place towards the recovery operations and if the funds are able to accommodate these types of persons which the Member has alluded to then, certainly, the Government will consider it. But I am sure the Member will appreciate that in order of priorities those who have not, thus far, been helped by way of getting themselves near to some semblance of pre Ivan circumstances, those will have to be the priorities.

Thank you.

**The Speaker:** Are there any further supplementaries?

If there are no further supplementary questions, we move on to Question No. 24 standing in the name of the Second Elected Member for the district of West Bay and it is addressed to the Honourable Leader of Government Business.

Second Elected Member for the district of West Bay.

*[Pause]*

**The Speaker:** Madam Clerk, can we check the Business Paper to see whose name this question should be standing in please?

The First Elected Member for the district of Cayman Brac and Little Cayman has indicated to me that Question No. 24 was submitted in her name so I call upon the First Elected Member for the district of Cayman Brac and Little Cayman.

**Question No. 24**

**No. 24: Mrs. Juliana O'Connor-Connolly** asked the Honourable Leader of Government Business responsible for the Ministry of Planning, Communications, District Administration and Information Technology, what steps will be taken by the Government to make Government services more accessible and responsive to the public?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** The Answer: Madam Speaker, while the Government recognises that the public perception of the service is that its performance can be improved, some very significant steps have been

taken by Government to make Government services more accessible and responsive to the public.

Significant among these was the establishment of an office of Complaint Commissioner which gives members of the public the opportunity to make representation about unsatisfactory performance by any individual or department as part of their recourse.

Additionally, a Freedom of Information Bill is presently with Legal Drafting and we look forward to presenting it to this Honourable House and the people of the Cayman Islands as quickly as possible.

In addition, a Public Sector Management division has been set up within Government to provide ongoing management training support to public service managers to enhance service delivery.

The Civil Service Reform strategy is also focused on improving responsiveness through empowerment and supporting managers, supporting professional development and personal growth, and expecting professional performance. The matter of Government accommodation and work environment is also being addressed as a matter of urgency to improve access and responsiveness to the public.

As a small country we are progressive and have accomplished much by being innovative. Furthermore, through the steps being pursued we will further improve upon our existing accomplishments. Indeed we are held up as an example to be emulated by the region.

### Supplementaries

**The Speaker:** Are there any supplementaries? The First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Madam Speaker, I am happy to concur that perhaps 99.9 per cent of the service adheres to this detailed response, and I wonder whether the Honourable Leader could take all reasonable steps to ensure the example that we are emulated by the region could extend to the Social Services Department in particular the leadership on Cayman Brac and Little Cayman.

**The Speaker:** The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I hear the supplementary coming from the First Elected Member for Cayman Brac and Little Cayman. Unfortunately, while I understand what she is asking, I am not in a position to give a response in kind as I am with no knowledge of any deficiency. What I can ensure the Member is that we will investigate the circumstances that she has alluded to and certainly if there is anything that needs to be done it will be done.

**The Speaker:** Are there any further supplementaries? If there are no further supplementary questions, we

move on to Question No. 25 standing in the name of the Fourth Elected Member from the district of George Town and it is addressed to the Honourable Leader of Government Business responsible for the Ministry of Planning, Communications, District Administration and Information Technology.

Fourth Elected Member for the district of George Town.

### Question No. 25

**No. 25: Mr. W. Alfonso Wright** ask the Honourable Leader of Government Business responsible for the Ministry of Planning, Communications, District Administration and Information Technology when will CITN have free broadcast channels as prescribed by Law, transmitting to the entire country?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** The Answer: Madam Speaker, Weststar Television's equipment in Grand Cayman and Cayman Brac and Little Cayman was damaged during Hurricane Ivan. However, repairs were effected in Grand Cayman several months ago and following receipt of the necessary spares, CITN returned to the air in Cayman Brac and Little Cayman on 22 April 2005. The company is not aware of any continuing problems (and that is what has been reported to Government).

Tourist program on Island 24 was pulled after Hurricane Ivan, in order to update the content, as much of the information was no longer applicable. The new tourist program will be renamed, but the format will remain the same. A go-live date is scheduled for 1 August 2005.

**The Speaker:** Are there any supplementaries? If there are no further supplementaries, that concludes Question Time.

## STATEMENTS BY HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

**The Speaker:** I have received no notification of Statements by Ministers and Members of the Cabinet.

### GOVERNMENT BUSINESS

#### Government Motion No. 01/05

#### Authorisation of Executive Financial Transactions for the 2005/2006 financial year

**The Speaker:** Honourable Third Official Member.

**WHEREAS** the Government's budget preparation for the 2005/6 financial year would normally have commenced by October 2004;

**AND WHEREAS** the 2005/6 Budget preparation process was severely disrupted by Hurricane Ivan;

**AND WHEREAS** the 2005/6 Budget needs to reflect the policies of the Government and, Government was established on 18 May 2005 following the 2005 General Elections, and there is a short period of time between the 18 May 2005 and the 1 July 2005 commencement date of the 2005/6 financial year;

**AND WHEREAS** there will not be sufficient time to enact an Appropriation Law for the 2005/6 financial year before 1 July 2005;

**AND WHEREAS** as a consequence of the preceding, there will not be an Appropriation Law for the 2005/6 financial year before 1 July 2005;

**AND WHEREAS** Section 12(1) of the Public Management and Finance Law (2003 Revision) 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 10(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 12(1) of the Public Management and Finance Law (2003 Revision), is seeking the approval of the Legislative Assembly for the attached Schedule of appropriations for the four-month period from 1 July 2005 to 31 October 2005;

**BE IT NOW THEREFORE RESOLVED** that for the period 1 July 2005 to 31 October 2005 the Governor in Cabinet be authorised to incur executive financial transactions totalling no more than CI\$197,475,514 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:

|                                  |                     |
|----------------------------------|---------------------|
| <b>Output Groups:</b>            | <b>\$98,023,178</b> |
| <b>Transfer Payments:</b>        | <b>\$8,930,067</b>  |
| <b>Equity Investments:</b>       | <b>\$31,738,536</b> |
| <b>Financing Expenses:</b>       | <b>\$3,499,938</b>  |
| <b>Other Executive Expenses:</b> | <b>\$6,308,795</b>  |
| <b>Executive Assets:</b>         | <b>\$1,350,000</b>  |
| <b>Loans Made:</b>               | <b>\$625,000</b>    |
| <b>Borrowings:</b>               | <b>\$47,000,000</b> |

Thank you, Madam Speaker.

**The Speaker:** The Motion has been duly moved and is open for debate.

The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

In accordance with Standing Order 25(2) I seek leave to move an amendment to Government Motion No. 01/05.

**The Speaker:** I so authorise.

**Amendment to Government Motion No. 1/05**

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

The amendment, which has been circulated to all Honourable Members of the House this morning, reads as follows:

In accordance with the provisions of Standing Order 25(1), (2) and (3), I beg to move that Government Motion No. 01/05 be amended as follows:

- (1) By deleting the resolve section and substituting the following therefore-

**BE IT NOW THEREFORE RESOLVED** that for the period 1 July 2005 to 31 October 2005 the Governor in Cabinet be authorised to incur executive financial transactions totalling no more than CI\$205,004,171 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:

|                           |               |
|---------------------------|---------------|
| Output Groups:            | \$100,073,835 |
| Transfer Payments:        | \$8,930,067   |
| Equity Investments:       | \$31,738,536  |
| Financing Expenses:       | \$3,499,938   |
| Other Executive Expenses: | \$6,308,795   |
| Executive Assets:         | \$6,828,000   |
| Loans Made:               | \$625,000     |
| Borrowings:               | \$47,000,000' |

- (2) By deleting from the Schedule [meaning the original Schedule] the following item under the Output Group name-

NGS 46 – Organise the Cayman Islands Craft Market: \$12,800  
 HHS 12 – Support and Supervision of persons doing community service: \$284,602.

- (3) By inserting unto the Schedule the following item under the Output Group name-  
 NRA 1 – Development of New Public Roads: \$335,602  
 NRA 2- Management and Maintenance of Public Roads: \$1,716,292  
 NRA 3 – Policy Advice: \$11,563

- (4) By inserting unto the Schedule the following item under the Executive Asset name-

EA 32 – Ongoing Road Projects:  
\$5,478,000.

**The Speaker:** The amendment has been duly moved and is open for debate. Does the Honourable Third Official Member wish to speak thereto?

**Hon. G. Kenneth Jefferson:** Thank you very much, Madam Speaker.

Perhaps I should make light humour in a serious situation and say, like my good friend, the Second Elected Member from West Bay, I should just like to make some brief commandments. I will be brief, Madam Speaker, on the amendment.

The simple explanation that gives rise to the origins of the amendment to the Motion is simple human error.

The amendment to the Motion has four distinct sections. If we look at subsection (2), it speaks to deleting from the Schedule (the original Schedule attached to the substantive Motion) the following item under the Output Group name, and it speaks to NGS 46 and the amount is \$12,800 being deleted.

If Members were to go to page 5 of the Schedule they would see NGS 46 being shown there highlighted in yellow and struck through with a line through the details simply to indicate that the item is being deleted. The reason why the item is being deleted is it was simply a duplication of an amount that is still shown on the Schedule as TAB 4 at the very end of the Schedule on page 5. TAB 4 – Organise the Cayman Islands Craft Market \$12,800.

So this particular item appears as an amendment simply because the amount itself (\$12,800) was a duplication.

HHS 12 for an amount of \$284,602 also was a duplication. In the package that was distributed to Honourable Members this morning, on page 6 of the Schedule thereto we again see HHS 12 with a strike through and highlighted in yellow to indicate that the item is being deleted from the Schedule and the figure \$284,602 again being deleted because the item had been included within the output group immediately above it—HHS 11 Supervision of Offenders Doing Community Service—and the figure shown there is \$393,972. Again it is simple human error, duplication of those two items we are seeking to correct.

Madam Speaker, the third item in the Amendment speaks to outputs from the National Roads Authority (NRA 1-3) and the amounts are shown in the amendment—\$335,602 for NRA 1 et cetera. Madam Speaker, again, the explanation is simply that (human error) they were not included on the original schedule which was attached to the Motion. In the package that was distributed to Honourable Members this morning on page 3 of the Schedule we see the NRA 1-3 highlighted in yellow so that Members can see clearly that these are new items

coming on to the schedule if this amendment to Government Motion is passed.

Madam Speaker, I hope that Honourable Members would find the highlighting useful in relating the initial Schedule to the amendment items that are sought by this proposed amendment to the Motion.

The last item on the proposed Amendment to the initial Motion, Executive Assets 32- Ongoing Road Projects, \$5,478,000. Again, that item needed to have been included on the initial Schedule and it was inadvertently omitted by simple human error. In the package that Members received this morning with details of the amendment to the Motion, on page 11 of that Schedule we see EA 32 – Ongoing Road Projects \$5,478,000 highlighted in yellow being shown there.

I would like to conclude my comments on the proposed amendment to the Motion by simply explaining the mechanics of the resolve section.

If we take as an example the Executive Assets caption then in the original Schedule that was attached to the Motion, the figures shown there is \$1,350,000. When we add to that sub-item 4 on the Amendment before us, when we add the \$5,478,000 to the \$1,350,000 we arrive at the Executive Assets figure of \$6,828,000.

That is how the figures in the resolve section, as shown in Section 1 to the proposed amendment to the Motion, those figures reflect the acceptance, should the House decide the do so, the acceptance of the additions and deletions in items 2, 3 and 4. Those items totalled \$205,400,171.

Those are my comments on the proposed amendment to the Motion and I thank Honourable Members for their attention and hope that the Schedules that we distributed this morning help to resolve and make clear the changes that we are proposing.

I thank Honourable Members for their attention and understanding.

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

**Mrs. Juliana Y. O'Connor-Connolly:** Madam Speaker, may I ask on a point of clarity?

**The Speaker:** The First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you. Are we expected to debate individually on the amendment that he just spoke to or will he also be speaking to the substantive Motion at a later time so that we can know how to launch our debate.

**The Speaker:** Honourable First Elected Member for Cayman Brac and Little Cayman, you have the right to debate the amendment and when we conclude the debate on the amendment and the question is proposed and the amendment is carried we will then pro-



to debate the amendment and when we conclude the debate on the amendment and the question is proposed and the amendment is carried we will then proceed to debate the Motion as amended. He will then speak on the Motion as amended.

If no other Member wishes to speak the question is: **“BE IT NOW THEREFORE RESOLVED that for the period 1 July 2005 to 31 October 2005 the Governor in Cabinet be authorised to incur executive financial transactions totalling no more than CI\$205,004,171 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:**

|                                  |                      |
|----------------------------------|----------------------|
| <b>“Output Groups:</b>           | <b>\$100,073,835</b> |
| <b>Transfer Payments:</b>        | <b>\$8,930,067</b>   |
| <b>Equity Investments:</b>       | <b>\$31,738,536</b>  |
| <b>Financing Expenses:</b>       | <b>\$3,499,938</b>   |
| <b>Other Executive Expenses:</b> | <b>\$6,308,795</b>   |
| <b>Executive Assets:</b>         | <b>\$6,828,000</b>   |
| <b>Loans Made:</b>               | <b>\$625,000</b>     |
| <b>Borrowings:</b>               | <b>\$47,000,000</b>  |

**“(2) By deleting for the Schedule the following item under the Output Group name-**

- NGS 46 – Organise the Cayman Islands Craft Market: \$12,800**
- HHS 12 – Support and Supervision of persons doing community service: \$284,602.**

**“(3) By inserting unto the Schedule the following item under the Output Group name-**

- NRA 1– Development of New Public Roads: \$335,602**
- NRA 2– Management and Maintenance of Public Roads: \$1,716,292**
- NRA 3 –Policy Advice: \$11,563**

**“(4) By inserting unto the Schedule the following item under the Executive Asset name-**

- EA 32 – Ongoing Road Projects: \$5,478,000.”**

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

**Ayes.**

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

**Agreed: Amendment to Government Motion 1/05 passed.**

**The Speaker:** I now invite the Honourable Third Official Member to speak to the Motion as amended.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker. I thank the Honourable House for their understanding to the amendment to the Motion.

Madam Speaker, I obviously start by stating that the figures that I will make in my contribution reflect the amendments to the Motion that the House has just approved.

When I moved the suspension of Standing Order 24 (5), last week, to allow this Government Motion its five-day notice period and for it to be considered by the House this June Meeting, I stated that section 12(1) of the Public Management and Finance Law allows the Government to undertake certain executive financial transitions at the start of the 2005/2006 financial year in advance of an Appropriation Law for that year. That was providing that the Legislative Assembly resolved to permit those transactions.

Madam Speaker, section 12(1) of the Public Management Law requires that the Resolution-

**“(a) be arranged according to each of appropriation types [specified in section 10(3) of the same Law]; and**

**“(b) that the Resolution shall lapse after a period of 4 months.”**

The proposed executive financial transactions are shown in the Schedule that accompanies the Motion itself. I will devote most of my comments to those items appearing on the Schedule. When the Motion was being read I did not detail each individual line item. The Schedule is eleven pages long and has approximately 268 individual line items. I did not think that was a productive use of that House’s time to read 268 items.

Members of the House have the Schedule before them and are well acquainted with the details thereon. I daresay that member of the listening will also gain an understanding of the Schedule as the debate unfolds. Once again the figures I quote will be subsequent to those effected by the amendment to the Motion.

Madam Speaker, the amounts requested in this Motion as amended represent the total value of executive financial transactions as the Government intends to pursue during the four-month pre-appropriations period from 1 July to the end of October 2005. Madam Speaker, I explained last week why this four-month appropriation was being sought by the Government and I do not think that there is a great need to repeat it again.

The appropriations now being sought by this Motion as amended are under the following categories:

|                           |               |
|---------------------------|---------------|
| Output Groups:            | \$100,073,835 |
| Transfer Payments:        | \$8,930,067   |
| Equity Investments:       | \$31,738,536  |
| Financing Expenses:       | \$3,499,938   |
| Other Executive Expenses: | \$6,308,795   |
| Executive Assets:         | \$6,828,000   |
| Loans Made:               | \$625,000     |

Borrowings: \$47,000,000

These amounts total CI\$205,004,171.

### Output Groups

Madam Speaker let us examine the caption Output Groups. The Output Group figure is approximately \$100 million.

An Output is the term used to describe goods and services that are produced by an entity and purchased by Cabinet to achieve its policy objectives. Output Groups, as we are speaking to in the Motion, are simply a grouping of individual Outputs that are similar in nature.

The Schedule attached to this Government Motion No. 1 as amended lists the various Output Groups under the particular Ministries, Portfolios and Offices that will produce those Outputs. It is also noteworthy to recognise that the names of the Ministries, Portfolios and Offices reflect the new organisational naming and structure that will come into effect on 1 July 2005.

Let me continue by stating that the basis—and this is quite important for the Output Groups—or foundation on which appropriations for Output Groups rests . . . when developing the pre-appropriation request for the four-month period from July to October, the Portfolio of Finance and Economics started by providing each Ministry, Portfolio and Office with a “target figure” that was equal to 4/12 (or 1/3) of the initial approved 2004/5 budget appropriation for each Output Group.

Madam Speaker the fraction of 4/12 was obviously chosen as the starting point because it corresponded to the four-month period for which the appropriations are now being sought under this Motion.

Ministries, Portfolios and Offices were then asked to review the amounts sought as a four-month appropriation against this “target figure” that I just mentioned and they were also tasked to explain why any proposed appropriation sought exceeded that “target figure”. I repeat again that the foundation for Output Group appropriation was the 2004/5 initial approved budget and 4/12 thereof. That established the foundation or the platform from which those figures subsequently developed.

For the entire Output Group category, the “target figure” was CI\$89.7 million. The pre-appropriation request now being sought under this Motion is approximately \$100 million, a small excess of \$10.3 million over the target figure, the foundation figure of \$89.7 million.

Madam Speaker, it is crucially important to note that the starting position being the initial approved budget for the 2004/5 financial year was a very restrictive starting position for the upcoming 2005/6 year simply because that initial 2004/5 budget (which was passed in May 2004) did not know that Hurricane Ivan would occur in September 2004. Therefore, Madam Speaker, it is not surprising at all that Output

Group appropriation for the four-month period would need to exceed the target figure. Government cannot operate in a hurricane recovery phase starting on a foundation budget that could not have foreseen Hurricane Ivan.

Madam Speaker, the Honourable Leader of the Opposition has requested that I say it again and I will do so.

I said it is not surprising at all that the Output Group appropriation for the four-month period (July to October) would need to exceed the target figure simply because the Government is now operating in a hurricane recovery phase; whereas the 2004/5 Budget (when it was passed in May 2004) could have not envisaged events which would have taken place in September 2004. So the starting position was quite restrictive. Therefore, if you are dealing with a recovery phase now we need a bit more than a initial foundation platform which did not take account of Hurricane related items.

The main reasons for exceeding the target figure of \$89.7 million and seeking a four-month appropriation for Output Groups of \$100 million are as follows:

(a) there has been a continuation of several Extraordinary Outputs in the 2005/6 financial year. This pre-appropriation Motion makes provision for extraordinary Outputs totalling \$5.9 million (and I will detail those extraordinary Outputs shortly);

(b) the timing of the expenditure profile for certain Output Groups meant that more than 4/12 would be spent during the July – October period.

The extraordinary Outputs identified in this Motion are related to the Government’s commitment to continue providing hurricane relief assistance to residents and to continue national recovery efforts.

The extraordinary Outputs are a significant explanation as to why the “target figure” for Output Groups has been exceeded.

The extraordinary Outputs being requested in this Motion are as follows:

CBO 4 – Hurricane Debris Removal, for a sum of \$2.5 million, is being requested to cover the continuation of hurricane related debris removal. Honourable Members can refer to page 2 of the Schedule to this Motion for this particular Output Group.

This Output Group was in the Supplementary Budget approved by the Legislative Assembly in February 2005, and it is therefore a continuation of an output group that currently exist in the 2004/5 Budget. The continuation is necessary because the hurricane debris removal work is ongoing work and has not been completed.

On the same page of the Schedule, page 2, under the Ministry of District Administration, Planning and Agriculture, Output Group DAP 9 – Management of and Services to the Agricultural Sector, a sum of \$1.66 million is being requested. Of this sum \$0.7 million relates to the continuation of an extraordinary Output from the Department of Agriculture which pro-

vides assistance to farmers to help them recover from Hurricane Ivan. This extraordinary Output Group was also in the Supplementary Budget approved in February 2005 and is therefore a continuation of an existing Output.

On page 3 of the Schedule, the sum of \$1.7 million is being requested for Output Group CWI 3 - Contaminated Ash Disposal. This is an extraordinary item relating to the disposal of ash created from the burning of Hurricane Ivan related debris.

The final extraordinary Output included in this Motion can be found on page 5 of the Schedule, Output Group DVB 4 – Provision of Repairs and Essential Restoration to Houses, for \$1.0 million. This extraordinary appropriation is related to the Cayman Islands Development Bank administered programme (that programme is being administered on behalf of the Government) that provides residents with financial assistance for the restoration of their homes damaged during Hurricane Ivan.

Another category for which appropriations are being sought is transfer payments.

### Transfer Payments

Transfer Payments are defined as a benefit or similar payment for which no output or consideration is received directly by Government. Essentially, Transfer Payments are grants for which the Cabinet does not receive anything in return for, but the effect of those grants are for the public-good of the Islands.

The Motion seeks approval for some \$8.9 million in Transfer Payments, as shown on page 9 of the Schedule. These Transfer Payments will allow for the continuation of important social welfare and social development-type Transfer Payments such as:

- TP 1 – Poor Relief Payments of \$1,264,000;
- TP 10 – Education Council Overseas Tertiary Scholarships & Bursaries of \$1,166,650;
- TP 11–TP 15 Various other Scholarship Payments, totalling \$795,417.

In addition to the continuation of these existing Transfer Payments, the Government has included a pre-appropriation request for the rollover or continuation of two extraordinary Transfer Payments designed to provide residents with financial assistance to aid in the repair and restoration of their homes damaged or destroyed by Hurricane Ivan. These extraordinary Transfer Payments are:

- TP 17 – Cayman Islands National Recovery Fund. An appropriation is sought for \$2 million to cover an additional grants to this very important Fund, which has the business of assisting members of the public in repairs and restoration to their homes as a result of Hurricane Ivan damage.
- TP 18 – Hurricane Relief Assistance. An appropriation for \$2 million is also sought to continue the provision of financial assistance to

residents through the District Assistance Committee programme. The \$2 million is being sought to enable the committee to undertake the further assistance requested by the public, which exceeded the approved appropriation in the 2004/5 financial year.

Madam Speaker, this relates to applications that the district committees had in hand by 31 May but did not have the required funding to carry out all of those applications. The purpose of the request is to assist the district committees in dispensing with those remaining obligations.

Applications for home repair and other needs received from 1 June 2005 onwards are to be addressed by the Cayman Islands National Recovery Fund so the district committees will essentially complete the applications that they have received prior to 31 May, and from 1 June onwards the National Recovery Funds will deal with new or fresh applications for assistance.

### Equity Investments

Equity Investments represent an investment by the Cabinet into a ministry, portfolio, statutory authority or government company. Typically, these investments are used to fund the purchase or development of capital assets or to assist in the funding of an entity's operating activities.

The Government is seeking approval to make Equity Investments of up to \$31.7 million during the pre-appropriation period. Honourable Members will find Equity Investments on page 9 of the Schedule.

In arriving at this figure of \$31.7 million, the Portfolio of Finance used a zero-based approach, meaning that the 4/12 basis applied in arriving at the Output Groups figure was not used in respect of Equity Investments. Each ministry, portfolio, statutory authority and government company were asked to justify their submitted requests.

The Equity Investments included in this Motion allow for the continuation of Government's support to the Health Services Authority and Cayman Airways Limited at the same levels as those approved in the 2004/5 Annual Plan and Estimates. For the pre-appropriation period (July to October 2005) this same level of funding means \$3 million for Cayman Airways and \$3.1 million for the Health Services Authority.

Other major items included in the request for Equity Investments are:

- EI 9 – Cayman Islands National Insurance Company Limited an amount of \$2.3 million. The company provides healthcare coverage to Civil Servants, pensioners, prisoners and indigents.
- EI 37 – Ministry of Education, Employment Relations, Youth, Sports and Culture. An amount of \$9.5 million is sought in this pre-appropriation period. Of this \$9.5 million, \$8.0 million is related to the construction of new school assets as follows:

|                                            |                 |
|--------------------------------------------|-----------------|
| Frank Sound High School                    | \$2.2 million   |
| West Bay High School                       | \$1.0 million   |
| John Gray High School Redevelopment        | \$1.5 million   |
| George Town Primary School Extension       | \$1.0 million   |
| Cayman Brac High School Multi-purpose Hall | \$0.9 million   |
| East End Primary School Multi-purpose Hall | \$0.875 million |
| Extension to the George Town Library       | \$0.5 million   |

- EI 16 – Ministry of District Administration, Planning, Agriculture and Housing, an amount of \$5.1 million. Of this amount the major items are:

|               |                                                                                                        |
|---------------|--------------------------------------------------------------------------------------------------------|
| \$1.3 million | To fund the purchase of two new aircraft for MRCU;                                                     |
| \$1.2 million | To fund the development of new MRCU facilities;                                                        |
| \$1.0 million | For replacement and repair of various fixed assets for the Ministry's Departments, Units and Sections; |
| \$0.8 million | To allow for the continuation of the Affordable Housing Scheme on Cayman Brac;                         |
| \$0.5 million | For the construction of external fire escapes at the Government Administration Building.               |

- EI 11 - Portfolio of Internal and External Affairs, an amount of \$4.1 million. The major items requiring an Equity Investment are:

|               |                                                                                                                          |
|---------------|--------------------------------------------------------------------------------------------------------------------------|
| \$1.5 million | Development of a new National Archive facility;                                                                          |
| \$1.0 million | New additional assets for the Royal Cayman Islands Police Service, such as vessels, vehicles and surveillance equipment. |

- EI 17 – Portfolio of Finance and Economics, an amount of \$1.2 million. This amount relates to the fit-out of the new office accommodations for the General Registry at the Citrus Grove Building.

### Financing Expenses

Madam Speaker, the Government is seeking \$3.5 million to cover the expected financing expenses associated with the servicing of Government Debt during the July to October four-month period. Honourable Members can find this request on page 10 of the Schedule.

### Other Executive Expenses

Appropriations requested in this category, shown on page 10 of the Schedule, total \$6.3 million. The other Executive Expenses represent a continuation of the existing Government policy regarding these items. The most significant item included under this caption is \$4.0 million (of the \$6.3 million) which relates to OE 27 (Other Executive Expenses) Past Service Pension Liability Payments. This relates to Government's sustained efforts to reduce the accumulated pension liability for current and past Civil Servants.

### Executive Assets

Executive Assets are shown on page 11 of the Schedule. This was one category that we increased earlier on by an amendment to the initial Motion. Executive Assets are those assets not used in the production of Outputs and, are held by the Cabinet.

The pre-appropriation Motion is seeking approval for the Government to spend up to \$6.83 million. The major items included in this pre-appropriation category are: \$1.0 million to complete the purchase of a parcel of land for the Barkers National Park; \$5.4 million for various road development projects including:

|                                                                                  |               |
|----------------------------------------------------------------------------------|---------------|
| Continuation of the Esterley Tibbetts highway toward West Bay                    | \$1.5 million |
| Settlement of Gazetted Claims                                                    | \$1.0 million |
| Reconstruction of the Elgin Avenue and Thomas Russell Way Round-About            | \$0.7 million |
| Connector road from the Linford Pierson Highway to the Esterley Tibbetts Highway | \$0.5 million |
| Various district Roads projects                                                  | \$1.7 million |

### Loans Made

This category captures those loans that the Government proposes to make during the pre-appropriation period. Honourable Members can find these requests on page 11 of the Schedule. The requested pre-appropriation amount for this category is \$0.6 million, the major item being \$0.58 million for LM 4 – Overseas Medical Advances.

### Borrowings

This appropriation category covers the amount of borrowings that the Government could undertake during the pre-appropriation period. Members can refer to page 11 of the Schedule for this particular item.

The Motion seeks approval to borrow up to \$47 million during the pre-appropriation period. This \$47 million represents the balance remaining to be drawn-down on the CI\$62 million loan approved in the 2004/5 financial year. Just this week the Treasury would have drawn down \$15 million of the initial \$62 million loan that was approved for the 2004/5 year. That would leave a remaining \$47 million of that loan, and the Motion seeks an appropriation for the Gov-

ernment to borrow up to \$47 million in the four-month period from July to October.

Therefore, the amount of potential borrowings sought for the period is entirely consistent with the loan for the 2004/5 financial year that the Legislative Assembly approved. When this \$47 million is combined with the \$15 million that was drawn-down in June 2005, the combined amount is \$62 million which is exactly equal to the approval granted by the Legislative Assembly for the \$62 million loan for the 2004/5 financial year.

If the Government wishes to borrow beyond this \$47 million, the House would have to approve that additional amount. So, in conclusion on this section, the Government is not going beyond the \$62 million loan that the House approved for the 2004/5 financial year.

### Funding

Madam Speaker, let me outline how the requests in this Motion will be funded.

The appropriation categories of Output Groups, Transfer Payments, Financing Expenses and Other Executive Expenses, represent the Operating Expenses of the Government. The pre-appropriation amounts being requested for these categories total \$118.8 million (approximately).

Operating Revenues for the four-month period are forecast to be approximately \$109.2 million. This particular figure was as a result of work that was done by the revenue unit within the Portfolio of Finance and Economics as being a realistic figure that would equate to the revenue expected during the July to October 2005 period.

Government expects to have an opening balance on its Operating Bank Account on 1 July (the start of the new financial year), of approximately \$44 million. I answered a Parliamentary Question last week that gave balances as at 10 May, and the \$44 million that we are expecting on 1 July is certainly a realistic figure.

When we add the forecast revenues of \$109.2 million for the period with possible borrowings of \$47 million and the forecast opening cash balance on 1 July of \$44 million, we arrive at a total available balance of \$200.2 million to fund executive financial transactions during this four-month period.

Against this figure (\$200.2 million) we would subtract the following Cash Outflows:

- \$118.8 million in Operating Expenses, consisting of Output Groups, Transfer Payments, Financing Expenses and Other Executive Expenses;
- \$31.7 million for Equity Investments;
- \$ 6.8 million for Executive Assets; and
- \$ 0.6 million for Loans Made.

These cash outflows total \$157.9 million.

After making these subtractions from the available funding of \$200.2 million that I just mentioned, the expected balance on the Operating Bank

Account of Government at the end of October 2005, is \$42.3 million.

In addition to the Operating Bank Account the Government has other bank accounts representing other funds such as the General Reserves, the Environmental Protection Fund, et cetera. Those bank accounts and funds are subject to approval by the Legislative Assembly and/or Finance Committee before they can be used. At the 30 June 2005 we expect such accounts to total approximately \$56.7 million.

I want to keep it clear that the operating bank account is quite separate from the other restricted accounts and the Government would continue to have both of those balances available.

Madam Speaker, I believe that Members may comment upon the Finance Committee process as opposed to the Legislative Assembly mode (that we are now in) in considering this Motion. Comments may come forward to the effect that a Finance Committee mode would be more appropriate in consideration of this particular Motion. My response to that would be that there is certainly ample opportunity to answer whatever questions that may arise on the Motion. We have the chief financial officers from the ministries and portfolios on hand to assist their Ministers and Official Members in fielding questions that may arise.

Madam Speaker, the figures that are stated in the Motion will actually be subsumed in the 2005/2006 Budget that the Government will bring to the House in September of this year, obviously, as an Appropriation Bill. Finance Committee will also have an opportunity to examine the schedule items to that Bill. So there will be an examination by Finance Committee of the Government's activities for this upcoming 2005/2006 financial year.

The legal specifics of section 12(1) of the Public Management and Finance Law speak to a resolution of the Legislative Assembly and, hence, that is the reason why we are here asking the Legislative Assembly to approve the Government Motion and to therefore resolve into granting approval for the amounts requested by the Motion.

Madam Speaker, I move towards conclusion by saying that this Motion is of critical importance to the continued financial operation of the Government and the Islands as a whole.

The Motion would allow Government to legitimately continue its operations in the upcoming financial year 2005/6 and allow Government time to prepare its more substantial budget for the entire year and, this, of course, would be subject to scrutiny by the Legislative Assembly and Finance Committee.

Madam Speaker, it is also important to note that this type of request (the Government Motion) is normally done following a General Election and it enables a new incoming Government time to prepare a more extensive Budget that reflects its policy objectives.

I have demonstrated that 50 per cent of the entire appropriations sought under this Motion is in

respect of Output Groups, and that the foundation for such a category was 4/12 of the initial pre-Hurricane Ivan approved budget for the 2004/5 financial year.

I then went on to give an explanation (as provided by chief officers and chief financial officers) as to the effect that the existence of Extraordinary Outputs meant that the amounts requested in this Motion exceeded the target figure, but they were certainly reasonable and understandable.

I also gave an account of the major components of the other categories of appropriations sought by this Motion. Such components are reasonable and, I believe, understandable.

I have also shown that the Government is able to fund the appropriations sought by this Motion.

Accordingly, I commend this Motion, as amended, to all Honourable Members of the House and ask that they give their support.

Thank you Madam Speaker.

**The Speaker:** Before I call upon other Members to speak, Honourable Third Official Member you have given an undertaking that any questions that are asked will be answered. I need to ensure that there is sufficient staff available to record these questions that in your reply these questions will be answered to those persons asking the questions.

Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

The approach that the Government Bench wishes to adopt is that as far as possible individual Ministers with their particular responsibility areas would listen to the comments made and their officials would assist them in making replies to those comments made. That is how the Government Bench proposes to go forward with the ensuing debate.

Thank you, Madam Speaker.

**The Speaker:** Thank you, Honourable Third Official Member.

Does any other Member wish to speak? The Honourable Leader of the Opposition and First Elected Member for the district of West Bay.

**Hon. W. McKeever Bush:** Madam Speaker, the Motion before us, as amended, is very important in that it is the first request for funds since the new administration has taken over; significant also because of the vast amount of expenditure that is being requested in this pre-appropriation budget of over \$200 million for four months. It is customary for a new government to ask for funds if they cannot complete the budgetary process in a timely manner.

Usually a new government would table a new budget in the House three to four months after a general election. I do not think I have seen it gone beyond that time period in over twenty years. Therefore, as a reasonable Opposition, and because this is our

Island home and our people which we serve we will support this process.

Even in recognition of the realities I cannot help but to recall Opposition criticisms to requests being made by our administration which was even brought to fund emergency expenditures after one of the most horrific natural disasters in our history. I recall the words, *“do not expect the Opposition to support a \$48 million request for emergency relief without proper scrutiny by Finance Committee.”* It was said that such expenditure and the items being requested should be examined in a transparent and good governance manner in Finance Committee.

I told the people, during the election campaign, that although the country had made tremendous strides, tremendous progress after the hurricane, that the country was not yet past the demonstration caused by Hurricane Ivan, and that our people throughout the Islands in every district had many needs and that any new government would face tremendous pressures—some just creeping up by the effect caused by the burnings and so on.

As I said, we are going to be a reasonable Opposition. We will not simply oppose just to hear ourselves talk or for the sake of opposition.

The Government today, when they were in the Opposition, said that the expenditure was undemocratic and did not accord to the principles of transparency and good governance.

While I said that I would be reasonable and that this Opposition Bench would be reasonable Opposition, it would be remiss of me not to point out that what the Government is now doing is exactly what they opposed during the time of emergency.

Some people will describe this as hypocrisy, but I will simply leave it for another time and another day. The Government of the day campaigned on a platform that they would be transparent and open. To be fair to them, I believe that they are trying in some instances to do that. They get a little lost on the way but they will find themselves on the track of the Westminster form of Government and understand that a government is a government and that you have to do things when it is needed to be done.

We support open and transparent. These, perhaps are some of the reasons why I am somewhat troubled by the manner in which the Government has brought the current expenditure of \$200 million to this Honourable House for approval. In my opinion, Madam Speaker, a budget of this magnitude—due to the importance of the expenditures—should be in Finance Committee.

Finance Committee was created to provide the country with a fair democratic and transparent process for the review and approval of Government appropriations—particularly one of \$200 million. I recall that the expenditure after the General Elections of 2001 was not nearly this kind of expenditure.

Madam Speaker, emergency expenditures still exists. I note that the Government has made an

amendment in that they left out a huge area in the Ministry of Communications—I think over \$7 million. In going through the heads of expenditure in the Motion, Madam Speaker, I see there is no expenditure for the Fire Service. If you examine the 2004/2005 Budget, you would find that one-third (if they are going by those figures) should have been about \$2 million. Perhaps that is one of the questions I can get an answer to. As I said, that is according to last year's Budget.

We have checked the Ministry of Tourism's Budget, where it was before, and Internal and External Affairs when it would be in July when the appropriation takes effect. I do not think it is there, but maybe I can find out from the Honourable Financial Secretary since the Minister responsible for Tourism is not here, good excuse—

**The Speaker:** Honourable Leader of the Opposition, I did make apologies on Monday for that Honourable Minister that he would be absent on Monday and today on official business.

**Hon. W. McKeever Bush:** What, Madam Speaker?

**The Speaker:** I am just saying that we did have apologies for him not being here.

**Hon. W. McKeever Bush:** I was not talking about apologies, but it is good to hear that he is off travelling and doing his duties. That is what a Minister needs to do—particularly a Minister of Tourism. I thank you.

Madam Speaker, I must ask the same questions about payment to seamen and other veterans that should be about \$1.6 million for one-third of the year (the period this Motion seeks to appropriate). I would like to also ask about poor relief vouchers. This is not included and is in the region of over \$400,000. I would ask also about the 911 emergency for \$300,000 according . . . and these figures we are talking about proportionately . . . that \$300,000 is not there.

As I said those figures seem to be absent from this appropriation. I do not know if they are there. I do not see them. I do not know whether there is an interest to do so, or whether it is going to be carried on, struck out, or what the situation is. But perhaps there is a good explanation. Maybe I just completely missed it in the papers before me.

There are some other smaller areas that we believe . . . but perhaps somebody else will take that up.

Madam Speaker, good governance is normally accompanied by programmes which instil confidence, offer incentives for the generation of revenues to sustain economic viability. The Minister responsible for Commerce appears to be encouraging inward investments and diversification of our economy by closing the Investment Bureaus in countries which are recognised as having the greatest balance of pay-

ments and trade surpluses, and who have demonstrated a growing ability and interest to invest heavily in Latin America and the Caribbean Region.

China is recognised throughout the world as one of the fastest growing economies in the world. It is estimated that by the year 2020 it will be one of the largest economies in the world. Unfortunately, the administration and its Minister responsible for investment and commerce seems to disregard this fact and fails to understand that it would take a number of years to develop a relationship through an investment bureau which would encourage the diversification of our economic base.

The Asian Region is considered to be one of the most lucrative sources for tourism and international investments. Our administration was not going after tourism per se immediately, but study was done; meetings were held with the wider private sector by Government, not simply four large law firms—the big four in the country. Discussions [were had] about the possibility and the viability of a Bureau in the Asian region.

Obviously the Minister does not regard this as important and history will speak about it. It will show that our people will pay dearly for that mistake. The Investment Bureau was established not mainly for the purpose of representing the financial industry, which had the foresight to establish themselves—each one jealously and individually in that Region many years ago so as to take advantage of its benefits for themselves. Maples and Calder, Hunter and Appleby or whatever the name is, are not going there for the small ones or for the small anybody—they are going there for themselves! I could go on and on and what a good subject to really expound on. But I will be a reasonable Opposition.

*[Inaudible interjection]*

**Hon. W. McKeever Bush:** I am encouraged by my good friend, the Minister of Education to go on. No! I know he has plenty work to do and I want him to get out there. I am willing to get him out of here as fast as possible because he has tremendous work.

Oh no, he has plenty of other work to do.

*[Inaudible interjection]*

**Hon. W. McKeever Bush:** Can I have some protection, Madam Speaker?

Thank you.

You only have to look and they shut up!

*[laughter].*

**Hon. W. McKeever Bush:** Madam Speaker, the Bureau . . .

*[Addressing an honourable Member]* Don't tempt me, okay?

**The Speaker:** Please stop the crosstalk so that the Honourable Member can get on with debate.

**Hon. W. McKeever Bush:** Thank you, Madam Speaker, I am sick of hearing about people fixing. They come *fix me!*

**The Speaker:** Honourable Leader of the Opposition, I have just asked to stop the crosstalk so this refers to both side of the House.

**Hon. W. McKeever Bush:** But you see, I heard. I heard.

**The Speaker:** Okay. So would you please continue with your debate?

**Hon. W. McKeever Bush:** As they say, if they want to speak they will have that opportunity. I think I am being fair.

The bureau in the Far East was established mainly to encourage inward investment in areas other than those in the financial services sector so that a wider cross-section of our population would have an opportunity to enjoy a similar standard of living by increased business opportunity to that enjoyed by those who participate in our financial industry.

Madam Speaker, this error—that is what it is—has been further compounded by his policy announcement not to proceed with the Investment Bureau in Dubai. Dubai is now recognised as a country which will become a leading financial centre in the world; an area from which significant foreign investment will emanate, not only in the financial industry. And for the Cayman Islands to be unrepresented in these two important Regions, will place the country and our people in a significant disadvantage in encouraging and attracting inward investment to diversify our economy.

This short-sighted policy leaves great doubt in my mind as to what may arise as further economic policy essential to meet the expenditure which we need and seem all too willing to make.

Good governance encompasses many things. One of the most important being the ability to plan for the future, recognise economic trends, and position our country to take advantage of capital inflows by laying the necessary groundwork and having a friendly climate for investment. There are many nations in the world, including many in the Caribbean—our competitors—who are positioning themselves to build relationships in these areas in order to encourage and attract this type of beneficial investment.

It seems the administration is shutting out the possibilities, and distancing themselves from those important Regions. I hear the Chamber of Commerce, which say it should come through them. Some people believe that everything must come through them. If we left them alone they would be over there and

those over there would be somewhere else, but they will find that out all too soon.

The Chamber of Commerce does not run the country. And I am not going to carry on because I have no big problem with them. They played their role and I know what that was.

Madam Speaker, our financial industry—now a world leader that provides numerous benefits to our people and country—was developed through good planning and long term foresight. However, while the Minister with responsibility for Commerce was busy closing investment bureau possibilities in Dubai—which, by the way, is the richest oil producing region in the world—the Leader of Government Business is trying his endeavour best, I believe, to encourage the oil transhipment business to stimulate the Cayman Brac economy, which, by the way, we support. I wrote to the people to that extent before the General Elections.

**The Speaker:** Honourable Leader of the Opposition is this a good time to take the luncheon break?

**Hon. W. McKeever Bush:** Madam Speaker, I will probably be a maximum of about ten minutes.

**The Speaker:** Please continue.

**Hon. W. McKeever Bush:** Madam Speaker, the Budget process was started before the Elections . . . Before I get there, we as a Government (before the change of Government) decided to support Cayman General Insurance Company after the hurricane by reducing the Government's insurance claim by \$20 million for an equity stake in the company. That was after we were told that we could lose our claim at the time if we did not step in.

Our decision was based on our objective to instil confidence and protect the savings and thousands of jobs for Caymanians, and insurance claims for thousands of Caymanians in both Cayman National Cooperation and Cayman General Insurance Company.

We made a decision to help the people of the Cayman Islands, and I believe it was one of the best decisions that our administration made to ensure Cayman General and its parent company Cayman National Cooperation were able to remain viable businesses in these Islands. Cayman National Cooperation has been a long-standing successful business entity in the Islands and we thought it best to take that route. If we took the claim and did not try to support it, we were told it would go down.

I want to say that I know a lot of slanderous statements were made by one whose name I would not even mention in the hallowed halls of this Parliament at this time (perhaps at another time). I was not ensured personally by Cayman General, I have been insured for years and years with Cayman Insurance



Centre; therefore, my house was insured by Dyoll Insurance Company, and I lost my claim.

Thank God I did not have tremendous damage. I had a claim of \$30,000. I was told that was the payout, but it was over that. Thank God there was no major damage to my home—thank God there were over sixty people there during the course of that hurricane! So I had no self interest whatsoever in going to assist other than to get Government in a good position.

We decided it was better to take what they were offering because if we did not, perhaps if they went down we might have gotten a quarter or half of what our claim would have been. So we decided that we would take that. And we decided that the other \$20 million . . . while we believed that the value might not have been up to the \$20 million it was still better for us to take an interest there—not that Government wanted to have business in business in the private sector. But it was better to go that way and to help save them, and that perhaps a couple of years down the road we could then sell the shares and whether they would be worth \$20 million or whether it would be less, perhaps we would still get something back. But at that time we were not going to get the \$20 million. What we were being offered was the fifty. We said no we wanted something else and that is when we decided to take shares as well. Not \$20 million in value but, perhaps one day, it might be \$14 or \$10 million. It was better than throwing away that at the time. So we put our best foot forward to assist them.

I thought personally, and I know that Official Members and others, and my colleague, the Member from Cayman Brac, thought that the potential negative impact of the Government not helping Cayman National Cooperation could be tremendous if employees were terminated due to the failure of any of its operating entities, including Cayman General. I think we all need to be clear about what is being said and what is being done and we need to be cognisant of these issues instead of making decisions based on something else.

I wish to ask the Government to explain why they have decided, if they have as I understand, to place Government's entire insurance policy through Willis—which is not a local company—for a premium—

*[Inaudible interjection]*

**Hon. W. McKeever Bush:** *[addressing an honourable Member]* Sorry?

How much are you going to say? You think it was me that [did] it?

**The Speaker:** Stop the cross talk!

**Hon. W. McKeever Bush:** —for \$6.5 million instead of using Cayman General which would have charged, I understand, only \$6.15 million and we would have

saved over \$350,000 annually. That is what I am told by the Company, and I am asking the Financial Secretary to explain if these are the facts or not. This is what I was told.

Madam Speaker, I understand about Willis that they are using the same company for reinsurance acting as a broker that Cayman General would use.

They say that I should go on the Web if I want information. The staff have been told not to talk to me. Well, we shall wait and see, but we cannot be transparent like that because the Web can give information but it is only what is put there and you cannot dig deeper and find anything outside of what is put there.

Madam Speaker, the Budget process, as I understand it, was started before the elections. There are changes as expected, because a new Government would do that. But I am satisfied in most part with the Motion before us. Again I do wish that there had been an opportunity to scrutinise the various heads by line items in Finance Committee since it is such a large expenditure. They say [there will be] ample opportunity to ask questions, but a debate is a different form of examination than when we sit down in Finance Committee with expenditure of over \$200 million.

Madam Speaker, I wish the Government well in its work.

**The Speaker:** Proceedings will be suspended until 2.15 pm

**Proceedings suspended at 12.17 pm**

**Proceedings resumed at 2.15 pm**

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

Debate on Government Motion No. 01/05, as amended continues. Does any other Member wish to speak?

I recognise the Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

I rise to offer a few comments on Government Motion No. 01/05 the pre-appropriation of just over \$200 million that would provide the ability for the country to continue to run for the first four months of this fiscal year.

We do have a new administration, and it is understandable that time would be required to allow them to settle in and turn their minds to how it is they are going to go about prioritising the many needs of these Islands. Equally important, is how it is they are going to go about funding those priorities.

Madam Speaker, it would be remiss of me if I did not voice my concern for not going the route of Finance Committee. I know the Honourable Third Official Member said that during our debate there would be opportunity for questions to be asked, however

that is just not quite the same because Finance Committee is the most important tool this House has for scrutinising Government's financial affairs beforehand.

Asking questions during a debate does not guarantee any of us that we are going to get an answer or if we get an answer whether the answer is going to be satisfactory; or, indeed, there would be no ability for follow-up or supplementary questions. And so it is, I believe, a large amount of funding to be approved without having the ability to go into Finance Committee and carry out our functions there, which is detailed scrutiny of the requests before us.

Also, by the time the final Budget comes to this House, debate on the Budget Address is completed, and we do get to Finance Committee at that stage, there is a good chance that close to one-third of a year's operating expenditure will have been spent. So, at that point we would be in pretty much of a "rubber stamping" exercise for a substantial amount of money.

Be that as it may, as the Leader of the Opposition has stated, it is our intention to support this pre-appropriation request. We believe that it is important fundamentally that the Government is given every opportunity to get its work started. We know that in a few short days the new ministries will be in place and each of the Ministers will be within what is going to be their respective responsibilities for the duration of this term.

I do believe that given the magnitude of the fund request before us and the fact that we are not going to Finance Committee, that it would have been helpful if this House and indeed the entire country were given a bit more financial information. As it stands, we have not been provided any projected financial statements.

We do not currently have before us any information that will tell us where the country will be, what the balance sheet is going to look like, indeed we do not have information in front of us in regards to whether or not there is an operating surplus or deficit proposed during this pre-appropriation phase. I think that is very important because in a few short weeks when the Government comes to bring its final Budget it will have already started to spend and have committed to spend substantial sums of money.

I acknowledge that the Honourable Third Official Member did give a cash-flow projection in broad terms in regard to where the operating bank account is projected to be after this pre-appropriation; but, at best, this was a very rudimentary piece of information to be before this House.

It is encouraging that of the information that has been given thus far it would appear to me that the new administration does find Government's finances in a sound and strong position. The cash position certainly seems to allow them the possibility to do much work without having to borrow even more money than is proposed in this pre-appropriation [Motion] and all

of these funds will not have to be drawn down upon, that is this Central Bank request of some \$47 million.

Another piece of information that I thought would have been useful was whether or not the Government is intending to utilise any of the segregated or restricted funds. There is a sum included in this pre-appropriation for ash removal. I would think that a legitimate request could be made to have those monies covered by the environmental protection fund. So as I said a little earlier, two of the Ministers have made reference of what the current status of that account is and that drives my point home even more succinctly because if we had that information in front of us I would not have made the comment in the first place. So I am debating at a grave disadvantage by not having access to that information.

So I believe now that the high of the Campaign and the wind is wearing off that my good friend, the Minister of Education needs to remember one of his favourite phrases and that is "Government and the Sunshine." I must tell him that there are long shadows being cast today because he is telling me one thing but I do not have information in front of me and if the information was in front of me perhaps my conclusions drawn would have been completely different.

For the duration of my contribution there are a few of the items that I would like to ask some specific questions on and make some observations.

CBO 4 - debris removal, we see that this is a continuation of the clean-up process. There have been a lot of questions raised in that regard over the last few weeks. In fact, on the heels of the Election I got quite a few calls in regard to what the status of the work crews are. It would be of interest to know whether this \$2.5 million that is being sought is going to go to a specific contract, or whether there is going to just be an ad hoc work group system that will deal with the specific pockets of areas that need further clean up.

I think it is fair to say that across the Island as a whole, the majority of the bulk clean up has taken place. In that vein there is a legitimate question that has been raised in our district. Many people are still rebuilding, a lot of investors are building and so there is a lot of activity in the construction sector. Certainly the latest information I have available to me is that there continue to be some issues at the Dump, in specific, issues surrounding persons' ability to bring their debris as they build and rebuild. I think a very important question that needs to be addressed is the whole issue of where people will be able to take their materials especially those who are continuing to rebuild their lives.

Madam Speaker, thus far, the Honourable Third Official Member is the only Member from the Government Bench who has spoken. He, as is customary, has given a much more technical contribution, speaking of the numbers that are before us. However, as we look at those numbers recognising that they are representing one-third of a year and

when annualise some of those figures . . . and I did follow quite closely the areas he told us that there was not that approach taken. If we look at IEA 16-21 there seems to be a shift in reallocating resources away from the investigation of reported and detected crimes and more resources allocated toward patrols, and there seems to be heightened incident responses certainly from the funding.

I remember during a prior Finance Committee one of the explanations that was given when we had reallocations of that sort was the fact that costing and cost allocations by output group is a continuing process. Of course, we are in the early stages of that and so some of those reallocations were due to more accurate information coming from the respective department (and in this case the Police Department) to the Budget Unit. I am not 100 per cent sure whether or not that is what holds or whether there is a shift away from investigation of reported and detected crimes and more funding and resources being made toward patrols and heightened incident response.

I might add that if, indeed, there is a shift in that focus that I can personally say that I would support that. It would speak to a policy that goes more toward prevention versus cure, and I think that that is something that the community would support. I think it has worked well in other places, which when they have taken a step back and looked at their police and policing techniques have seen that a stronger presence does at the end of the day actually deter crime in the first instance. So, naturally, you would have to spend less resources on investigating crime if it is deterred.

One request that we continue to get more and more of is the request for additional street lighting and clearing of vacant lots in certain areas. I believe that the Government needs to ensure that those requests are met with favour and are acted upon swiftly. I got one just this week which I intend to be passing on to the NRA and to the Minister responsible by way of copy because, not only has it come from a resident, but in speaking to a police officer he assured me that there was a great need to have additional lighting in that area and to have some cleaning done in that area because there was a feeling that not only is it a high crime area but it also has been an area where drugs and firearms have been hid in recent times.

We also see in IAE 25 that there is funding proposed in the area of disaster recovery. Madam Speaker, we know that the hurricane season is upon us. I wonder whether or not the funding is reasonable. If you annualise that number of \$1.7 million and come up with some \$5.2 million, is that going to be the amount that the Government foresees spending in that area? Or, is it weighted more heavily in these next four months because this is the hurricane season? I have great confidence that the Government does recognise that hurricanes are not the only natural disasters and, even though this title says natural

disaster preparedness, I am sure it is also the funds that are being voted to cover any manmade disasters that could potentially also occur.

Madam Speaker, NGS 21, which deals with the Farmers Market, did catch me by surprise. I am not sure what the status of the Farmers Market is, whether it is up and running or what. I do not think it is. Perhaps this amount is to pay off some final bills and debt that the Market may have incurred; I am not 100 per cent sure.

**The Speaker:** Honourable Member, I think you said NGS 31, but it is NGS 21.

**Mr. Rolston M. Anglin:** NGS 21, right.

Now, Madam Speaker, one item that does stand out is CWI 1—provision of policy advice, about \$20,000. However, in the prior year some \$1.7 million was appropriated for policy advice. When we look at all the other ministries we see that in the Ministry of Education \$694,000 is being sought now (which would equate to \$2.1 million annualised); if we look at the Ministry of Tourism, \$541,000 (which would equate to \$1.6 million annualised); Ministry of Health \$545,000 (which, again, would equate to about \$1.6 million annualised); and the Ministry of District Administration, Planning, Agriculture and Housing \$610,000 is being sought now (which would equate to about \$1.8 million annualised). Madam Speaker, with everything that is going to be happening in that Ministry especially when we look at the CUC negotiations, when we look at the complex area of telecoms . . . and it was recently announced in the press that Digicel has agreed, in principle, to buy out the Cingular business in the Caribbean; when we look at the fact that much work needs to be done in regard to the George Town Dump, all of us would agree that is an area that has to be on the top of the priority list; the road network expansion . . . I just find it difficult to believe that in that Ministry the amount of \$6,000 over these next few months would be adequate for four months.

Madam Speaker, I understand that there is an amendment being circulated since I rose to make my contribution. In looking at the numbers I think it would come up to some \$600,000 plus annualised based on these figures. However, I think it is still a bit low for a Ministry that is going to be involved in some very complex areas, that is, the energy sector, the telecom sector and dealing with waste management.

Madam Speaker, in looking briefly at what is going to be the Ministry of Education, Employment Relations, Youth, Sports and Culture, we see a number of areas where when the figures are annualised, there would be an increase—in particular EHC 17, which is sports, youth coaching and training activities; NGS 18, which is youth after school and other youth related programmes and NGS 44, which is the provision of sporting programmes. I can also say that increased spending in those areas is something that we

do support and I think the community will also support.

However, Madam Speaker, one of the most vexing issues that this country currently faces is the whole issue of labour. I am not talking so much about provisions in Labour Laws. I am speaking more about the issue of Caymanians and their employment prospects. I think it is fair comment to say that a short time ago if a Caymanian, for whatever reason, changed jobs today, by Monday morning they would have been working somewhere else. But those good old days have long passed.

Just yesterday I got a call from a constituent. This lady worked 18 years for one employer in the hospitality industry. Her employer was adversely affected by Hurricane Ivan and the property still remains closed. That lady would have proven beyond the shadow of a doubt her reliability, work ethics et cetera, because no employer would have kept on staff someone for eighteen years if they were not a good reliable employee. I believe that this is an area that needs addressing because, at the end of the day, people still have mortgages to pay and children to feed and clothe. It has been an area that has been challenging for many years and has spanned many political directorates.

I note that when annualised, the funding proposed for the Audit Office is slightly lower than the prior year's budget. Again, I am not 100 per cent sure whether or not this might be a case of how the spending is going to take place in these first four months versus the latter eight months of the fiscal year, but given everything that has been said in this Honourable House since I have been here about the Audit Office and strengthening the Audit Office, I would have thought that this was simply a case of them budgeting what is realistic for them to spend in the first four months and not necessarily a trend that we would see hold over.

Madam Speaker, the only other point that I wish to ask a question on is NGS 2 which is in the judiciary and deals with legal aid services. The number that is proposed in this pre-appropriation when annualised would double the prior year Budget. I know that too has been an issue of much debate in this House but I wonder if there are any issues coming up in terms of court cases that the Government feels is going to require additional resources, or whether or not this is simply a case of bringing it in line with what it needs to be. If that is the case I think we all would quickly agree that that is an area that is important because access to proper representation is of critical importance when it comes to having a true and fair justice system.

Madam Speaker, on the break we were told, and shown in one instance, where some of the expenditures that we observed in the prior year's Appropriation Bill and Budget in one instance was simply not shown on the Schedule that is attached to this Motion, and that is the case of the Transfer Payments

that cover seamen and veterans, poor relief vouchers and the young people's programme and poor relief policy. The total in that section does incorporate one third of the prior year approved amount. I also understand that someone is going to show us where the emergency fire services (some \$5.9 million) and the funding for 911 is continued in this pre-appropriation. I think it got changed and shifted around as these services were moved from the Ministry of Tourism to the Portfolio of Internal and External Affairs.

Madam Speaker, all in all I believe, as the Honourable Leader of the Opposition said in his contribution, that the Government must be given the opportunity to get their work started. They need funding and it is not unusual to have amounts appropriated in this fashion following a General Election. So I give and offer my support to the Motion.

I felt compelled to put on record those concerns I had in the process and, in certain instances, the lack of clarity and lack of information that I think should have been forthcoming that would have made all of our lives a lot easier and would have made debate on this Motion a lot easier. So with those few words I now resume my seat and anxiously await the explanations to the issues that I have raised in my contribution.

Thank you, Madam Speaker.

**The Speaker:** Honourable Third Official Member.

#### **Amendment No. 2**

*to Government Motion No. 1/05, as amended*

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker. In accordance with the provision of Standing Order 25(2) I seek leave to move an amendment to the already amended Government Motion No. 10/05.

**The Speaker:** I so authorise, Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Speaker, notice of amendment No. 2 to Government Motion No. 01/05 as already amended reads as follows:

**"(1) By deleting 'CI\$205,004,171' as it appears in the resolve section and substituting therefor CI\$205,499,744;**

**"(2) By deleting from the Schedule the following items under the Output Group name –**

- a. CWI 7 – Monitoring the Construction and Upgrading of Parks: \$30,102**
- b. CWI 1 – Provision of Policy Advice: \$6,603**

**"(3) By inserting unto the Schedule the following items under the Output Group name –**

- a. CWI 12 – Ministerial Support: \$159,683**

- b. **CWI 13 – Advice and Governance of Boards and Statutory Authorities: \$106,456**
- c. **CWI 7 – Monitoring the Construction and Upgrading of Parks, Public Beaches and Roads: \$53,228**
- d. **CWI 1 – Provision of Policy Advice: \$212,911**

**"(4) By inserting unto the Schedule the following items under the Transfer Payments Category:**

- a. **TP 2 – Poor Relief Vouchers: \$120,000**
- b. **TP 3 – Temporary Poor Relief Payments for YPP Students: \$16,000**
- c. **TP 4 – Youth Aftercare Payments: \$16,000**
- d. **TP 5 – Emergency Relief Payments: \$6,667**
- e. **TP 8 – Ex-Gratia Benefit Payments to Seamen: \$912,000**
- f. **TP 9 – Benefit Payments to Ex-Servicemen: \$633,333."**

**The Speaker:** The amendment has been duly moved and is open for debate; does any Member wish to speak?

The Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker. We have no problem with the Motion as such, just the amendment before the House.

Just to draw attention to the questions that I asked in regard to certain expenditure that was not showing up in certain heads. I understand that funds are included the same way these funds were included—not included by head, but included in the Motion.

The question I do want to ask is whether under the rules of expenditure while the funds were included in the present Motion whether the money could be expended or whether it could be spent because there would have been no vote, no head approved by the Legislative Assembly.

**The Speaker:** Does any other Member wish to speak? If no other Member wishes to speak I invite the Honourable Third Official Member to exercise his right of reply.

**Hon. G. Kenneth Jefferson:** Madam Speaker, the Honourable Leader of the Opposition was just making reference to items which are essentially dealt with by the fourth section of the second amendment to the Government Motion.

Out of an abundance of caution we have raised the notice of amendment to include specifically and explicitly the various transfer payments that were

unfortunately not explicitly included on the face of the Schedule to the Motion on page 9.

The TP 2 through TP 9 should have been included and shown separately on the face of the Schedule on page 9 in the section dealing with Transfer Payments. They were not. The effect of this amendment would be to show those explicitly on the face of the Schedule. I have amended Schedules that would go to the Motion that would show the effects and impacts and changes that are proposed by this notice of amendment.

The particular items that the Leader of the Opposition just spoke to, although not explicitly shown on the face of the Schedule, they were included as a part of the total for that particular transfer payment category. The total is \$8,930,067. That figure would remain unchanged even though we are seeking to have these transfer payments shown explicitly on the face of the schedule. So the overall total would not change and to specifically answer question of the Honourable Leader of the Opposition, we have decided to make this notice of amendment to make it abundantly clear that we are seeking appropriations explicitly for these specific items so that the Government can legitimately make the payments to the various transfer payments that the notice of amendment No. 02 details to the Honourable House.

If I may just go on a bit more, in section No. 2 of the amendment notice, CWI 1 – provision of policy advice, we are seeking to delete that from the Schedule; and in section 3 of the notice of amendment, the very last Item CWI 1 – the provision of policy advice \$212,911, we are simply trying to make it explicitly clear that the \$6,603 that the Second Elected Member from West Bay mentioned as being inadequate, we are deleting that amount and in its place under the third section in the notice we are including a much higher figure, \$212,911 in its place.

Also in section 2 of the notice, the very first item CWI 7 monitoring of construction and upgrading of parks, shown as \$30,102, we are proposing to delete that particular amount and in the next section, section 3, we reintroduce CWI 7 with a slightly wider caption ("monitoring the construction and upgrading of parks") which was the same caption as before but we go on to add to that the wording "public beaches and roads" and to then, as a result of that, propose to increase the amount to \$53,228. So the change between the two sections is an additional \$23,126.

Those are my comments on the notice of amendment No. 02 to the Government Motion that was previously amended.

Thank you, Madam Speaker.

**The Speaker:** The question is that Government Motion No. 01/05 as amended, be amended:

**"(1) By deleting 'CI\$205,004,171' as it appears in the resolve section and substituting therefor CI\$205,499,744;**

- "(2) By deleting from the Schedule the following items under the Output Group name –
- a. CWI 7 – Monitoring the Construction and Upgrading of Parks: \$30,102
  - b. CWI 1 – Provision of Policy Advice: \$6,603

- "(3) By inserting into the Schedule the following items under the Output Group name –
- a. CWI 12 – Ministerial Support: \$159,683
  - b. CWI 13 – Advice and Governance of Boards and Statutory Authorities: \$106,456
  - c. CWI 7 – Monitoring the Construction and Upgrading of Parks, Public Beaches and Roads: \$53,228
  - d. CWI 1 – Provision of Policy Advice: \$212,911

- "(4) By inserting into the Schedule the following items under the Transfer Payments Category:
- a. TP 2 – Poor Relief Vouchers: \$120,000
  - b. TP 3 – Temporary Poor Relief Payments for YPP Students: \$16,000
  - c. TP 4 – Youth Aftercare Payments: \$16,000
  - d. TP 5 – Emergency Relief Payments: \$6,667
  - e. TP 8 – Ex-Gratia Benefit Payments to Seamen: \$912,000
  - f. TP 9 – Benefit Payments to Ex-Servicemen: \$633,333."

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

**Ayes.**

**The Speaker:** The Ayes have it. The amendment to Government Motion No. 1/05, as amended, has been passed.

**Agreed. Amendment No. 2 to Government Motion No. 1/05 as amended passed.**

**The Speaker:** I will now invite the Honourable Third Official Member to speak to the twice amended Motion.

He spoke to the amendment to it. I am inviting him, if he cares to, to speak to the twice amended Motion. He can use that if he wants to; if not, he can say he does not care to and we can move on to the debate.

**Hon. G. Kenneth Jefferson:** Madam Speaker, I do not have any additional comments to make at this

time. Just to clarify that you are not asking me to wind up on the substantive Motion.

**The Speaker:** Honourable Third Official Member, if it was my intention to ask for the winding up I would have asked for it. I am asking if you care to contribute to the debate on the twice amended Motion.

I gather from your comments you do not so I will now ask if any other Member wishes to speak to the twice amended Motion.

Does any other Member wish to speak?

If no other Member wishes to speak I will call on the Honourable Third Official Member to use his right of reply.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker, for the opportunity to make some closing remarks. I believe I am being truthful and fair in saying that . . .

Madam Speaker, with your indulgence, a few seconds please.

**The Speaker:** Of course.

[pause]

**Hon. G. Kenneth Jefferson:** Madam Speaker, thank you for your patience. I was conferring with the Honourable Leader of Government Business.

I was saying that I believe I can honestly say that the entire House is pleased with the level of maturity shown in the House today. The Honourable Opposition has said that they will act in a responsible manner and we, on the Government side, appreciate and acknowledge that promise.

There were several points raised by Honourable Members of the Opposition and I will attempt to deal with some of them as best as I can recall from my notes.

In connection with the comments made in respect of why a Finance Committee process was not invoked to deal with this particular Motion, I have said that the specifics of the Public Management and Finance Law require that the resolution actually be dealt with by the Legislative Assembly and not by Finance Committee itself. Those are the legal specifics.

In trying to outline to the House that the pre-appropriation Motion is a reasonable Motion, I made the point that at least 50 per cent of the appropriations sought under the Motion was in respect of output groups. I went on to further say that of this particular 50 per cent grouping of the entire request that that had a foundation of the 2004/05 Budget. So considerable debate has already taken place on the 2004/05 Budget and, therefore, if we are starting from that basis and using that then to construct figures in the pre-appropriation Motion sought by the Government, then that is a useful starting point and certainly a lot of debate has gone into those initial numbers.

The Honourable Second Elected Member for West Bay spoke of his wish for a greater amount of financial information. I have outlined, as best as I can, the cash position that the Government would face as at the end of the four month appropriation period being sought. I outlined the revenue that we expect to receive over that period. I outlined details of the expenses that we expect to incur during that period and therefore the resulting cash position.

The Second Elected Member from West Bay also wondered whether the restricted fund, such as the Environmental Protection Fund, would be used to cover some of the expenditures being sought by this pre-appropriation Motion. The intention is, yes, that some of the monies in the Environmental Protection Fund will be used to help to defray some of the costs currently borne by our operating bank account balances. That will require a separate visit to Finance Committee to seek approval for the transfer of funds from the Environmental Protection Fund into the Operating Bank Account to cover such matters related to hurricane items as the Resolution to Finance Committee will provide.

The question was also raised in respect to Government's insurance and the status of that matter. I can say that the use of the Government's insurance brokers (Willis) was approved by the Central Tenders Committee process, and therefore involved Willis competing with other parties who wished to become Government's insurance brokers and the recommendation to choose Willis as Government's brokers was sent to Cabinet in the early part of 2004 and Cabinet approved that recommendation to appoint Willis as the Government's brokers.

I can say that it is precisely a normal role of an insurance broker to assist its client (in this case the Government) to help place its insurance policy and that is the strategy that the Government has been employing. As regards to the specific insurance company mentioned, the truthful position is that all local insurance companies have been asked to indicate their interest in insuring a portion of Government's property risk.

Madam Speaker, there were comments made by the Honourable Leader of the Opposition in respect of the closure of the Cayman Islands Investment Bureau Office in Hong Kong. I would like to make a few remarks on that area.

Justifying the choice of Hong Kong for the Investment Bureau Office was based on the fact that this region has invested in other countries within Latin America Caribbean does not correspond to what is best for the Cayman Islands. The focus must be on sustainable economic development and the identification of the types of foreign businesses that best contribute to the economy of the Cayman Islands. While China may be an important source of foreign investment flows in fifteen years time, currently they are one of the largest destinations of foreign investment flows. Cayman cannot compete away such flows

which are largely based on the low cost nature of the region.

In other words, Cayman must play to its strengths when pursuing foreign investors. Trying to sell Cayman to foreign businesses that have already committed to investing in another jurisdiction when the reason for their investments do not exist in the Cayman Islands is impractical.

Madam Speaker, the short-run costs of the Hong Kong Office are excessive amounting to almost 10 per cent of the Cayman Islands Investment Bureau's overall Budget. This is not cost effective, especially considering that there was no clear policy direction for generating inward investment from the Asia/Pacific region.

Further, the closure of the physical office in Hong Kong does not mean that the region is being abandoned. The Investment Bureau Office is maintaining the company registration which would facilitate proper re-entry if it is determined that that is the appropriate long-run course of action.

In order to determine an appropriate course of action for generating inward investment the Investment Bureau strategy clearly outlines the importance of consultation with a wide cross-section of the private sector. Only with such consultation can the location for satellite offices be justified. The result of this consultation will be the preparation of an investor targeting strategy. This strategy will clearly specify the types of foreign businesses that are best suited for the Cayman Islands, the countries where these businesses can be found, the decision-makers in these businesses that the Cayman Islands Bureau should contact and, therefore, where the Cayman Islands Bureau Offices should be located in order to effectively generate inward investment.

Madam Speaker, I also believe that the Honourable Leader of the Opposition spoke to a number of outputs relating to the Fire Service. He also spoke of no payments for the seamen and the veterans, and we have adequately addressed that in the last amendment motion which was put forward. With regard to the expenditure for the Fire Service, the Honourable Leader of the Opposition has in-fact consulted with finance officials during the breaks and has satisfied himself, I believe, that the amounts he initially thought were omitted were in fact included in the schedule, but as a part of a larger figure.

For example, under the Output Group EA 18 – incident response, there are some underlying outputs which are underneath that figure. One would be the Output FRE 1 – responding to domestic fire emergencies. The 2004/05 Budget was \$5,862,530 the pre-appropriation amount that is included within IEA 18 is \$1.954 million.

The Honourable Leader of the Opposition asked about 911. and under that same IEA 18, there is an individual Output (MPC 4 – 24 hour emergency response) and the pre-appropriation request is \$351,706. So, Madam Speaker, the Schedule to the

Motion contains figures which are supported by a number of smaller underlying figures, and it is the case that the specific items that the Honourable Leader of the Opposition spoke to were hidden as a part of much larger figures; but they have been nonetheless included in the Schedule that is attached to this Motion.

Madam Speaker, I think that I have covered a reasonable amount of ground on winding up, and I would sincerely like to thank you, Madam Speaker, and the Clerk, the Government's side and the Opposition, for their considerable patience in the number of amendments that the House had to endure during the course of the day. It tried our patience and in the end we became a better Government going forward as a result of doing those amendments.

I sincerely thank the Clerk and all Honourable Members of the House for putting up with those particular amendments. It has obviously created a bit of relief in one particular Ministry because those amounts were previously omitted simply due to human error.

I thank you, Madam Speaker, and I commend this Motion, as amended to the . . . One second, Madam Speaker—

I have been reminded by the Honourable Chief Secretary that I should also thank the staff of the Legislative Assembly for their assistance, and also the Portfolio of Finance Officials that were here during the course of the day and also other Officials from ministries and portfolios who were physically present during the course of the day to assist their Ministers and Official Members.

I commend Government Motion No. 01/05 as twice amended to this Honourable House.

**The Speaker:** The question is: “**BE IT NOW THEREFORE RESOLVED that for the period 1<sup>st</sup> July 2005 to 31<sup>st</sup> October 2005 the Governor in Cabinet be authorised to incur executive financial transactions totalling no more than CI\$205,499,744 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:**

|                                  |                      |
|----------------------------------|----------------------|
| <b>Output Groups:</b>            | <b>\$100,569,408</b> |
| <b>Transfer Payments:</b>        | <b>\$8,930,067</b>   |
| <b>Equity Investments:</b>       | <b>\$31,738,536</b>  |
| <b>Financing Expenses:</b>       | <b>\$3,499,938</b>   |
| <b>Other Executive Expenses:</b> | <b>\$6,308,795</b>   |
| <b>Executive Assets:</b>         | <b>\$6,828,000</b>   |
| <b>Loans Made:</b>               | <b>\$625,000</b>     |
| <b>Borrowings:</b>               | <b>\$47,000,000”</b> |

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

**Ayes.**

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

**Agreed. Government Motion No. 01/05 as twice amended passed.**

**The Speaker:** I call on the Honourable Leader of Government Business to move the adjournment of this Honourable House.

## ADJOURNMENT

**Hon. D. Kurt Tibbetts:** Madam Speaker, if you would allow me quickly to explain . . . there are a few questions that remain, there are also two Government Bills which are awaiting passage of twenty-one days to be brought to the Legislative Assembly—the Immigration Amendment Bill and the Judges Emoluments Amendment Bill. I am also informed that there needs to be a supplementary appropriations clean-up for year end.

In order for us to accomplish that without a new meeting I beg to have this Honourable House adjourned for a date to be set.

**The Speaker:** The question is that this Honourable House does adjourn for a date to be fixed. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**At 3.40 pm the House stood adjourned for a date to be fixed.**



**OFFICIAL HANSARD REPORT**  
**WEDNESDAY**  
**20 JULY 2005**  
**10.15 AM**  
*Fifth Sitting*

**The Speaker** May I call upon the Third Elected Member for Bodden Town to deliver the Prayer.

**PRAYERS**

**Mr. Osbourne V. Bodden:** Let us pray.

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

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

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

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

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

**Proceedings resumed at 10.18 am**

**ADMINISTRATION OF  
OATHS AND AFFIRMATIONS**

**The Speaker:** Mr. Donovan Ebanks please come to the Clerk's Table.

All please stand.

**Oath of Allegiance**

*Hon. Donovan W. F. Ebanks, MBE, JP*

**Hon. Donovan W. F. Ebanks:** I, Donovan W. F. Ebanks, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her Heirs and Successors, according to Law. So help me God.

**The Speaker:** Mr. Ebanks, once again, I welcome you to these hallowed Chambers as the Temporary First Official Member and invite you to take your seat.

**Oath of Allegiance**

*Mrs. Cheryl Richards*

**Hon. Cheryl Richards:** I, Cheryl Richards, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her Heirs and Successors, according to Law. So help me God.

**The Speaker:** Miss Richards, it gives me pleasure to welcome you to this hallowed Chamber as the Temporary Second Official Member and even more so (if I am not incorrect) I think it is the first time we welcome a woman to act as Second Official Member and I would invite you to now take your seat.

Please be seated.

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

**Apologies**

**The Speaker:** I have received apologies for absence from the Honourable First Official Member, the Honourable Second Official Member, the Second Elected Member for the district of West Bay and the Third Elected Member for the district George Town.

Before we move on to the next item on the Order Paper, I would just like to extend thanks to Kirk Freeport who replaced the clock in the Chamber. It is a much bigger clock. I guess they felt that at my age my eyes were dimming and I needed to see the clock more clearly. So we would just like to say thanks to Kirk Freeport.

## PRESENTATION OF PAPERS AND OF REPORTS

### The Portfolio of the Civil Service Employment Information and Personnel Activity Report (Historical Data 1 January to 31 December, 2004)

**The Speaker:** The Honourable Temporary First Official Member.

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Speaker. I beg to lay on the Table of this Honourable House, the Portfolio of the Civil Service Employment Information and Personnel Activity Report for the period 1 January to 31 December, 2004.

**The Speaker:** So ordered.

Does the Honourable Temporary First Official Member wish to speak thereto?

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Speaker, only to briefly say that I would hope that Honourable Members and, indeed, the public, would find value in this report. It is a continuation of services provided a few years ago to provide an overview of activities within the public service. It will be noted, for example, that the overall number of civil servants was reduced considerably during 2004 as a result of bringing on line various Statutory Authorities.

It will also be of benefits to Members as we go into the upcoming Budget Sessions, and also in the context that we recently went through a period of devolution of authorities within the public service with efforts to simplify and give greater accountability in the overall management of human resources. It will be interesting to see what subsequent reports show in terms of the size and make-up of the service as we attempt to move away from the traditional complement control in the actual number of posts and focus on more meaningful controls, on what we produce and on what we spend.

Finally, I would like to complement the Chief Officer of the Portfolio of the Civil Service, Mr. Ross and his staff, for having produced another excellent Report.

### Review of the Domestic Insurance Industry "Post Ivan"

**The Speaker:** I call upon the Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker. I beg to lay on the Table of this Honourable House the report entitled Review of the Domestic Insurance Industry "Post Ivan".

**The Speaker:** So ordered. Does the Honourable Member wish to speak thereto?

**Hon. G. Kenneth Jefferson:** Yes. Thank you, Madam Speaker.

The Review of the Domestic Insurance Industry "Post Ivan" Report is dated 21 May 2005, and it is in respect of a review conducted by the Cayman Islands Monetary Authority (CIMA) into the domestic insurance industry post Ivan.

This report was prepared by Sir Allen Traill, a director of CIMA, along with Mr. Terence Fairs, principal of Fairs Reinsurance Consulting. CIMA's insurance division also assisted in the preparation of the Report. The report was commissioned by Cabinet in the context of CIMA's functions and duties under the regulatory laws, in particular, the duty of CIMA under the Insurance Law to maintain a general review of insurance practise in the Islands.

The review involved on-site investigations of all domestic insurers involved in general insurance business. The review itself was precipitated by issues reported by the general public with the insurance claims process, post-Ivan. The report is an examination of the facts surrounding the insurance process, together with recommendations to address the issues identified.

Cabinet considered the report on 28 June at which time the decision was made to make the report public and to invite Sir Allen Traill to spearhead a consultation process with the insurance industry on the recommendations contained in the report and that he report back the results of that consultation by 30 September 2005. The Portfolio of Finance and Economics would access any recommendations made regarding legislative changes and make the necessary submission to Cabinet.

In parallel with Sir Allen Traill's consultation process, the Portfolio of Finance intends to provide an opportunity for any interested parties to submit comments on the report to the Portfolio, so that these may also be considered.

Madam Speaker, the Government wishes to thank the authors of the report and all those who participated in the review process for their time and effort spent on this important matter.

Thank you, Madam Speaker.

### Cayman Airways Limited Financial Statements 31 December 2001 and 30 June 2003

**The Speaker:** I call upon the Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker. I beg to lay on the Table of this Honourable House the audited Financial Statements for Cayman Airways Limited for the years ended 31 December 2001 and 30 June 2003. Thank you.

**The Speaker:** So ordered.

Does the Honourable Minister wish to speak thereto?

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

I would like to bring to the attention of this Honourable House the fact that the last audited financial statements for Cayman Airways was tabled in 2001. It was a PPM campaign promise to table the audited financial statements of the national flag carrier, very early in our administration. I am very pleased to be able to do so today, Madam Speaker.

For the twelve month period ended 31 December 2001 the key features of the financials are as follows:

- The airline lost US \$14.6 million after subsidy, for the year ended 31 December 2001. This sum reflects an increased loss of US\$810 thousand compared to the prior year. The airlines' subsidy in 2001 was US\$5,476,189.

- The airline attributes the major changes in its financial performance to the effects of the September 11 terrorist attacks in the USA. For example, revenue was US\$36.6 million a decrease of US\$4.6 million or 11 per cent from the prior year. In the aftermath of September 11, demand for air travel dropped significantly due to travellers' concerns about possible terrorism attacks and the inconvenience of the new security procedures.

- The decline was compounded by the reduction in average fares in an effort to encourage passengers to return to the skies. The effect of the decline in revenue was offset by a reduction in operating expenses of US\$4.7 million.

- The decline in operating expenses is the net effect of three factors. First, the airline reduced its schedule to reflect the decrease in travel demand. This reduced the variable costs such as fuel, landing fees and other similar charges. Second, the airline implemented a number of cost-saving measures including voluntary wage rollbacks, hiring freezes and other similar costs controls. Third, the effect of the cost savings was partly offset by increased expenses for security and insurance.

- It should be noted, Madam Speaker, that the airline wrote down the value of its fleet by US\$7.8 million to reflect the decline in the market value of the Boeing 737-200 aircraft. The decline in the market value was caused partly by the September 11 terrorists' attacks. As passenger traffic declined carriers retired older, less efficient, 737-200 aircraft operated by Cayman Airways.

For the eighteen month period ended 30 June 2003 the key features of the financials are as follows:

- The airline lost US\$10.1 million after subsidy, over this eighteen month period ended 30 June 2003. An increase loss of approximately US\$4.5 million over the prior twelve month period. You will note that the eighteen month period arose because the airline

changed its year end from 31 December to 30 June, to coincide with the new Government reporting period.

- The subsidy for 2003 was US\$7,142,850. The loss related to the decline in value of the aircraft for the eighteen month period was US\$1.8 million. If you remove the effect of this change related to the impairment loss, the balance of the changes can be explained by the fact that the reporting period for 2003 was 18 months rather than 12.

Madam Speaker, in the 2003 financials, the auditor notes (under the section "Going Concern"), "Historically, the company has been dependent upon the financial support to allow it to continue as a going concern".

At the 30 June 2003, the company's total liabilities exceeded total assets by US\$32.3 million in comparison to 2001 when the amount was US\$22.1 million. The current liabilities exceeded its current assets by US\$22.4 million in 2003 as compared to US\$15.5 million in 2001.

There is a clear and disturbing trend here.

Each year the company's liabilities exceed its assets resulting in ever-increasing debt. There are many factors contributing to this situation, some of which date back to its very inception. However, it is evident that the airline must come to grips with the situation to better ensure its sustainability. For this reason I have commissioned an efficiency audit for the national flag carrier to ensure that we are making the best use of resources and that we realise all possible savings.

I believe that Cayman Airways plays a vital role in the Cayman Islands economy and the Tourism industry. I would like to take this opportunity to underscore the support and commitment of the People's Progressive Movement to Cayman Airways. However, the financials for Cayman Airways signals clear reasons why we must address efficiency issues head on.

Madam Speaker, I thank you.

**The Speaker:** Thank you Honourable Minister.

I call upon the Honourable Temporary Second Official Member.

### **The Court of Appeal (Amendment) Bill, 2005 (White Paper)**

**Hon. Cheryll Richards:** Thank you, Madam Speaker.

I beg to lay on the Table a Bill entitled The Court of Appeal (Amendment) Bill, 2005, as a White Paper for discussion in this Honourable House.

**The Speaker:** So ordered.

Does the Honourable Minister wish to speak thereto?

**Hon. Cheryll Richards:** Thank you, Madam Speaker.

We have been looking at various ways of reforming the criminal justice system in line with other

countries. The proposed amendment to the Court of Appeal Law would give the Crown rights of appeal in limited circumstances and, in cases of private prosecutions, would give complainants a limited right of appeal in certain circumstances on a point of law alone.

In keeping with the Government's commitment to the widest possible consultation on issues of public importance, the Government has taken a decision to publish this Bill as a White Paper for public consultation. This will help to inform the process as to how we move forward. It is proposed that a window of some 30 days be allowed and it is hoped that during this period all persons will have an opportunity to review and comment on the Bill. We look forward in particular, to comments from the Law Society and the Bar Association.

Madam Speaker, clause 2 of the Bill would insert a new section 28A into that Law and provide for an appeal where an accused person tried on indictment is discharged or acquitted by a trial judge sitting alone, or by a jury, where such jury has been directed to do so by the judge; or is convicted of an offence other than the one which he is charged.

Clause 3 would insert a new section 29A which would provide for a sentence to be reviewed where it appears to the Attorney General that it is unduly lenient.

Finally, clause 4 would insert a schedule into the principal Law which make supplementary provisions in relation to the new sections 28A and 29A. I will now hand over the copy of the Court of Appeal (Amendment) Bill 2005 to be laid upon the Table of this Honourable House.

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

### Question No. 26

**No. 26: Mrs. Juliana Y. O'Connor-Connolly** asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture, how many teachers' aides are employed at –

- a) Cayman Brac High School;
- b) West End Primary School;
- c) Creek School;
- d) Spot Bay Primary School; and
- e) Little Cayman Educational Services.

**The Speaker:** The Honourable Minister for Education.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker. The answer: The Education Department provides three different types of support for teachers in the classroom.

1. **Teacher's Aides:** These are High School graduates with a minimum of three CXC passes General Level, of which English and Mathematics are compulsory subjects. Successful applicants are required to work with classroom teachers for one year as they aspire to become teachers. That year can be extended for another year if they have not been able to complete admission to a university of their choice.

2. **Support Assistants:** These are mature individuals who have at least three CXC or GCE level passes, a keen interest in working with children, are caring and have worked as pre-school assistants or helpers, they are employed on long term basis and several have pursued distance learning through their own initiatives.

3. **Assistant Teachers:** These are generally employed as reception teachers but may assist teachers in classrooms. They will have a degree though not necessarily in education.

These three types of support to teachers are allotted to Cayman Brac Schools as follows:

a) Cayman Brac High School: 1 teacher's aide; 1 support assistant and 1 support assistant (vacant post to be filled in September 2005).

b) West End Primary School: 1 teacher's aide; two assistant teachers.

c) Creek School: 1 teacher's aide and 1 assistant teacher.

d) Spot Bay Primary School: 1 teacher's aide and

e) Little Cayman Educational Services: 1 teacher's aide.

### Supplementaries

**The Speaker:** Are there any supplementaries?

The First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. First, I wish to thank the Minister for his very detailed response and, for the sake of clarity in reference to Spot Bay Primary School, I noticed there was not an Assistant Teacher. Perhaps there was a good reason why and I wonder if he could explain.

**The Speaker:** The Honourable Minister for Education.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, in my rounds of schools generally, and in particular to Cayman Brac, there has been a consistent and plain-tiff cry for more support for teachers, particularly as class sizes have increased generally. That is a matter we are looking into and I can tell the First Elected Member for Cayman Brac, that there are a significant number of applicants for teachers' aides in Cayman Brac. We have created one additional post there and we are considering three additional posts. I am hope-

ful that these will be approved and that perhaps if another position is required at Spot Bay Primary one of those individuals can be assigned to that school.

**The Speaker:** Are there any further supplementaries?

If not, we will continue with Question No. 27 standing in the name of the First Elected Member for Cayman Brac and Little Cayman and addressed to the Minister responsible for Education.

### Question No. 27

**No. 27: Mrs. Juliana Y. O'Connor-Connolly** asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture, what are Government's plans in respect of establishing a state-of-the-art library in George Town.

**The Speaker:** The Honourable Minister responsible for Education.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker, the answer: The Government on assuming office found works in relation to the George Town Library which can be reported on.

On 13 May 2004 the Minister for Education, Human Resources and Culture in the last Government, confirmed to Maples Foundation his acceptance of their offer to provide US\$1.5 million for the construction of a new wing of the George Town Library. The Foundation at the time requested that they have naming rights to the new wing and first right of refusal for use of the library facilities for conferences and events. Additionally, the Foundation would become a Lifetime Friend of the Library.

The last Cabinet (of which the Member asking the question was a Member) approved acceptance of these funds in June 2004, confirming to the Foundation that they would have naming rights to the new wing only.

Simultaneous with the signing of this agreement, plans were submitted to the Planning Department for the new addition. Planning approval was granted in principle subject to the demolition of all buildings in the site behind the library, save for the building formally used by the Cadet Corps.

The necessary decision by Government for demolition of buildings has never been taken to satisfy Planning's requirement. Thus, final planning permission has never been granted. However, considerable preliminary work has been done and significant funds have been extended on the project.

I have been advised that Maples Foundation have subsequently decided to increase their grant to US\$2.5 million. This decision has been verbally communicated to the Ministry by a senior partner of Maples and Calder, but has not yet been confirmed in writing.

The grant has been earmarked to build an 11,000 sq. ft. three-storey addition to the existing George Town Library. Plans indicate that this proposed new addition façade would provide a strong look and feel of the old building style while using modern materials. It is intended that the existing building will serve as a historical entry piece to the new facility. This area will house Caymanian historical displays with reference and research book sections and wireless connectivity throughout.

A connection through a north and south reading courtyard will lead from the old building to the new facility. The ground floor of the new facility will consist of children's and young adult book source, book circulation and desk space and an audio-visual room. The second floor will house the adult books and resource centre and the third floor will be administrative offices, special reading spaces with a multi-event focus room which can be rented out.

It is the intention of my Ministry to provide a detailed overview of this matter to Cabinet seeking resolution on the outstanding matters and ensuring that all arrangements for management of these funds are in compliance with Government's current financial standards. I will keep this Honourable House apprised of further developments in this matter.

### Supplementaries

**The Speaker:** Are there any supplementaries?

The First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. With reference to the second to last paragraph on page three referring to Government's financial standards, I wonder if the Minister is in position to say if they have changed since 11 May.

**The Speaker:** The Honourable Minister responsible for Education.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker.

The standards have not changed, but the handling of these funds has been outside the Government financial system. It is my intention to ensure that they are brought within the system and subject to Government's current financial standards.

**The Speaker:** Are there any further supplementaries?

The First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker, my final supplementary. Perhaps out of naivety, but I wonder if the Honourable Minister could explain what he means by 'outside the current system' because I honestly do not know and it would be helpful to know.

**The Speaker:** The Honourable Minister for Education.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, that means that the funds remain outside the Government's financial system—they do not form part of any Government funds or general revenue. They are being managed outside the scope of Government's financial system.

**The Speaker:** Are there any further supplementaries?  
The Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

I hear what the Minister of Education is saying and I would like to know who is managing the funds? I think it is the library because I think that is who it was given to.

**The Speaker:** The Honourable Minister for Education.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, all of the funds have not been paid over to the management committee of the library. I have been trying to get to the bottom of the matter to understand precisely what the arrangement is, but I regret to say that the file is not well documented. I need to understand what the arrangement is, what the money is spent on and how the money is being spent.

There is no system of accounting at the moment that I have been able to have access to in order to see what the actual arrangement is. I think a significant amount of money still remains with the donor; some money has been given to the management committee, and some money has been spent. The details of that I am not yet aware of and I am doing my best to sort the matter out.

**The Speaker:** I will allow one more supplementary. Are there any further supplementaries?

If there are no further supplementaries we will continue with Question No. 28 standing in the name of the First Elected Member for Cayman Brac and Little Cayman and addressed to the Minister responsible for Education.

### Question No. 28

**No. 28: Mrs. Juliana Y. O'Connor-Connolly** asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture, whether or not approval has been granted and/or a licence issued to Huntington Brac University for its establishment on Cayman Brac and, if not approved, to say reasons why.

**The Speaker:** The Honourable Minister responsible for Education.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker, the answer: An application was made to the Cayman Islands Government by a company called Huntington Brac University Limited on Friday, 1 April 2005, to establish a medical school in Cayman Brac. The matter was discussed by the last Cabinet but no decision was taken.

Records indicate that the last Government had considered granting an exclusive 25-year licence to St. Matthew's University to operate a medical school in the Cayman Islands and had referred the matter to the Education Council. However, the Education Council took the view that the question of exclusivity was a policy decision which was not within its remit and ought to be taken by Cabinet. The Council therefore declined to decide the matter but did however offer recommendations which were never acted upon by the last Government.

Obviously, if St. Matthew's University was granted an exclusive right to establish a medical school in the Cayman Islands then it would not be possible for Huntington Brac University to be given permission to establish one in Cayman Brac. It appears that this issue was principally the reason for the delay in actioning the application by Huntington Brac University.

When I assumed responsibility for the Ministry of Education, among the first things that I did was to review the files relating to both St. Matthew's University and Huntington Brac University, both of which had outstanding urgent matters that needed to be resolved. I met with the principals of both universities in an effort to move things forward.

Huntington Brac University was written to and asked to provide further details, which they have supplied. On Thursday, 14 July 2005, the Education Council resolved to register Huntington Brac University as a tertiary institution in the Cayman Islands subject to a number of conditions. These conditions include final approval by Cabinet. The matter will be considered by Cabinet at the earliest possible opportunity.

### Supplementaries

**The Speaker:** Are there any supplementaries?

The First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. With reference to the last paragraph and the registration (which I am happy for) on 14 July; can the Minister confirm that this registration had to be subsequent to the submission of my question.

**The Speaker:** Honourable Member, I do not think that question relates to the original question. I therefore cannot allow it. Are there any further supplementaries?

The First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. Seeing that I submitted a question 10 days before the House, can I then ask the Honourable Minister whether he was in a position to answer the question before today?

**The Speaker:** Honourable Member, we are getting out of the realm of this question. I will allow one more supplementary that relates to the question that has been asked. Are there any further supplementaries?

The First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. Paragraph two refers to records which indicate that the last Government had considered granting an exclusive 25-year licence. I wonder if the Minister is in a position either today or whether he is prepared to give an undertaking to lay those records on the Table of this House and/or to supply them to Honourable Members

**The Speaker:** Honourable Minister, before you reply to that supplementary I would just like the Member to clarify whether these are Executive Council records she is asking to be laid on the Table of the House, or are there other records that she thinks these refer to.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. I believe perhaps that I am not in a position to say what records it is as the records first came to my attention in the answer. I believe perhaps that my learned friend would be in a better position to say what records he had an opportunity peruse.

**The Speaker:** The Honourable Minister responsible for Education.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker. This, I believe, is bordering on the ridiculous.

The records to which I refer are Cabinet papers—Cabinet of the last Government of which the Member asking the question was a Minister.

**The Speaker:** If there are no further supplementaries we will continue with Question No. 29 standing in the name of the Third Elected Member for West Bay and addressed to the Leader of Government Business.

### Question No. 29

**No. 29: Mr. Cline A. Glidden, Jr.:** asked the Honourable Leader of Government Business responsible for the Ministry of District Administration, Planning, Agriculture and Housing what are the Government's

plans for the continuation and conclusion of the island-wide cleanup?

**The Speaker:** The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. Following the pick up of the bulk of debris after Hurricane Ivan, the Cayman Islands Recovery Operations (CIRO) encouraged homeowners and businesses to assume responsibility for the disposal of additional debris which would be generated from repair and renovation activities and, in particular, those instances where debris removal provisions were included in their insurance settlements.

The Government is committed to continue the Island-wide cleanup and continues to work within the districts using local companies. Particular emphasis is also being placed on working with the housing recovery schemes and district committees. Major emphasis also remains on the pick-up of derelict vehicles, including those which were abandoned even before Hurricane Ivan.

The Government has also been reviewing the MC Restoration Contract and once a full understanding of the terms and conditions has been gleaned, it is my intention to dialogue with the company so that decisions can be made on the way forward. Meanwhile, we will continue to work with MLA's, District Committees, and other community organisations to keep the cleanup project going.

Madam Speaker, it is this Government's intention to continue the Island wide cleanup until the Island is in a satisfactory and acceptable condition.

### Supplementaries

**The Speaker:** Are there any supplementaries?

The Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Madam speaker, I am just wondering, in light of the continuing cleanup, if any consideration has been given . . . I know that in the district of West Bay, for example, during more recent times right after the storm, there were established dump sites in each district, I think, then it was a matter of moving those dump sites to the general dump or to some other location. Since that has not been the case we have noticed quite a bit of what I would term illegal dumping in some areas. I was wondering if any consideration had been given to the establishment of a temporary site, where people in the district could dump and then that would be taken to a more general location to be dealt with.

**The Speaker:** The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. We will have heard on the radio (even this morning as I was driving in) that, for instance what is being done in the district of Bodden Town and Upper Pease Bay, there is a timeline for people to put out whatever they have and it will be picked up. That is going to be done Island wide.

As we speak we are trying to locate a central site for the pick-up, not what we know to be the garbage dump because besides that being overloaded as it is now, work is being done there to prepare a portion of it to receive the ash that we have heard about. All of that is happening as we speak. But, with regard to the Member's question, all districts will have pick-up times and it will be ongoing until we feel the job is completed.

Just to say for the Member's information, there is going to have to be a time when it is considered to be over because what we see beginning to happen is new construction, which is not necessarily related to the post-Ivan situation, with the debris being jumbled up into the whole affair. At some point in time citizens have to take back responsibility for certain of the collection and dumping of whatever the refuse is.

**The Speaker:** Honourable Leader of Government Business, could I have a motion for the suspension of Standing Order 23(7) to allow Question Time to go beyond 11am?

### **Suspension of Standing Order 23(7)**

**Hon. D. Kurt Tibbetts:** Madam Speaker, I so move the Motion to suspend the relevant Standing Order that we may go beyond 11 o'clock to answer questions.

**The Speaker:** The question is that Standing Order 23(7) be suspended to allow for questions to continue after the hour of 11 am. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Standing Order 23(7) suspended to allow Question Time to continue after 11 am.**

**The Speaker:** Are there any further supplementaries?  
The Honourable Leader of the Opposition

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

As the Honourable Minister raised the matter of the ash, can the Leader of Government Business say whether the amount of contamination of the ash has been confirmed? I note that there were some discrepancies in the news report—with one news report

carrying it as 5,000 yards and the Minister saying he did not know where that came from, and that they have now confirmed a lower amount. Can they say what amount or figure has now been confirmed?

**The Speaker:** The Honourable Leader of Government Business, if you are in a position to answer that question.

**Hon. D. Kurt Tibbetts:** Madam Speaker, what I can say is that the amount is a lesser amount than originally assumed. I do not know, and, unfortunately, the Minister is not here for me to ask him exactly what that figure is. But I am sure it is easy to get and I will make sure the Leader of the Opposition knows as soon as I get the information.

**The Speaker:** Are there any further supplementaries?  
If there are no further supplementaries. . .

The Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker.

What I am seeing in Bodden Town . . . and I have just conferred with the Manager of CIRO, and indeed my observations are correct, that is, with the cleanup exercise. We appear to have a shortage of vehicles, in particular grab trucks that are needed to pick this stuff up and either put in its own back or that of another truck.

I do not know where we stand with getting additional resources in this area but I think the sooner we can get through the exercise it will alleviate some of the concerns as stated by the Leader of Government Business stated where once we have done one area we find more stuff out there. It is also important that we get through it as quickly as possible.

Now, I know that we have other private companies that could be at our disposal if we are so minded and think we also have the Environmental Health Department that has such vehicles. To date I do not think they have participated in this exercise—

**The Speaker:** Honourable Member, could I ask you to put all your thoughts in a question to the Honourable Leader of Government Business.

**Mr. Osbourne V. Bodden:** Okay, Madam Speaker, sorry about my inexperience.

**The Speaker:** I know.

**Mr. Osbourne V. Bodden:** So, I would like to put that in a question to the Honourable Leader of Government Business, if we could look at obtaining additional resources to expedite this process.

**The Speaker:** The Honourable Leader of Government Business.



**Hon. D. Kurt Tibbetts:** Madam Speaker, the Honourable Member must have been a fly on my wall a couple of days ago!

Seriously, just to say to him that we have been discussing that issue and that is one of the reasons why there are specific timelines for various areas because of the points raised and additional resources will be placed towards getting it picked up within the time frame.

**The Speaker:** Are there any further supplementaries?

If there are no further supplementaries we will continue with Question No. 30 standing in the name of the Honourable Leader of the Opposition, First Elected Member for West Bay, and addressed to the Leader of Government Business responsible for the Ministry of District Administration, Planning, Agriculture and Housing.

### Question No. 30

**No. 30: Hon. W. McKeeva Bush** asked the Honourable Leader of Government Business responsible for the Ministry of District Administration, Planning, Agriculture, and Housing whether or not the United Kingdom Government has given a timetable of 15 to 18 months for constitutional changes.

**The Speaker:** The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. The United Kingdom has not given a timetable of 15 to 18 months for constitutional changes. However, some dates have been discussed and the UK has expressed that they are willing and ready to expedite talks as soon as the Cayman Islands Government wishes to do so.

The UK also understands that the Cayman Islands Government will wish to hold further, probably more inclusive public dialogue before it will be ready to engage in talks to pursue the course of constitutional modernisation.

**The Speaker:** Are there any supplementaries?

The Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker. Can the Honourable Minister say when the expressions came from the UK?

**The Speaker:** The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I suspect that I know where the Honourable Leader of Opposition is coming from with this line of questioning. If you would permit me, I would like to give a chronological sequence of events leading up to what he asked for and that might satisfy the situation.

If we will remember, on the night of the last elections, His Excellency the Governor was on the radio discussing certain matters and talking through certain points which included constitutional modernisation for the Cayman Islands. At that point in time he expressed his personal view that such course of action could perhaps be concluded within 18 to 24 months.

Having said that, in my discussions with him early after the new Government took over, it was intimated to me that the UK was perplexed at the very beginning when the talks that were taking place a couple of years ago simply were stopped and were mindful that these talks should resume.

Having said that, when Mr. Culshaw arrived here in the Cayman Islands and discussions took place with him, I suggested to him ... well, first of all, I told him that the Government intended to resume the constitutional talks, but that there were certain matters such as public input which would have to take place prior to desiring the talks to come to a conclusion for a Constitution to be put forward to the country. In saying that I requested that when he returned to London, that he write us to give the Government the view of the Foreign and Commonwealth Office with regard to the way they see forward, understanding how we believe we might move from this end.

I have spoken to His Excellency the Governor on two or three occasions, including yesterday, requesting that he speak to Mr. Culshaw, because we have not had a response thus far. I believe His Excellency is off to London today, and he has assured me that he will pursue the matter so that we may be able to get some response fairly early.

As soon as we know that, Madam Speaker, we will develop a plan. We will consult with the Opposition and then we will decide on the way forward.

**The Speaker:** Are there any further supplementaries?

If there are no further supplementaries we will continue with Question no. 31 standing in the name of the Third Elected Member for George Town and addressed to the Minister responsible for the Ministry of Tourism, Environment, Investment and Commerce.

### Question No. 31

(Deferred)

**No. 31: Miss Lucille D. Seymour** asked the Third Elected Member for George Town to ask the Honourable Minister responsible for the Ministry of Tourism, Environment, Investment and Commerce when was the John Silver's property in West Bay purchased for use as a Hotel Training School and what progress has been made in this regard to date.

**The Speaker:** The Third Elected Member for the district of Bodden Town?

**Mr. Osbourne V. Bodden:** Madam Speaker, in the absence of the Third Elected Member for George Town, I ask that question 31 be deferred until tomorrow, 21 July 2005.

**The Speaker:** Could I have a seconder?

The Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** I beg to second the Motion.

**The Speaker:** The question is that Question No. 31 standing in the name of the Third Elected Member for the district of George Town be deferred to a later sitting in this meeting. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Question No. 31 deferred.**

**The Speaker:** That concludes Question Time.

## STATEMENTS BY HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

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

## GOVERNMENT BUSINESS

### BILLS

#### FIRST READINGS

##### **The Immigration (Amendment) Bill, 2005**

**The Clerk:** The Immigration (Amendment) Bill, 2005.

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

##### **The Judges' Emoluments and Allowances Bill, 2005**

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

#### SECOND READINGS

##### **The Immigration (Amendment) Bill, 2005**

**The Speaker:** Honourable Temporary First Official Member.

**Hon. Donovan W. F. Ebanks:** Madam Speaker, I beg to move the second reading of the Immigration (Amendment) Bill, 2005.

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

**Hon. Donovan W. F. Ebanks:** Yes, Madam Speaker, briefly to set the stage for the Bill.

As the Memorandum of Objects and Reasons sets out, there are three basic objects to the Bill. The first is to provide a restraint on Cabinet from granting the right to be Caymanian except where the grant is recommended by the Immigration Board and subsequently validated by the Legislative Assembly, and the number of such grants would be limited to four in any calendar year.

These provisions are set out in Clause 3 of the Bill which proposes a new section 20(1)(e) to the existing Immigration Law 2003.

The second object is to seek to require visitors desirous of obtaining gainful employment to be away from the Islands between the period of the submission of the application for a work permit and the processing of such application. These provisions are set out in Clause 4 which proposes a new section 51(4) and (5) to the Immigration Law 2003.

Thirdly, the Bill would enable a temporary work permit holder who applies for a one year work permit on the same terms and conditions as the temporary work permit to continue to work for the same employer in the same capacity after the expiration of the temporary work permit while awaiting the outcome of the application. The relevant provisions are set out in Clause 5 which proposes a new section 54(2).

Madam Speaker, we are all aware of the various interpretations that were bandied around in the last two years in relation to the old section 20(d) of the repealed Immigration Law, and essentially now reflected in the current section 20(1)(e) of the Immigration Law 2003. I will not dwell on those interpretations. Suffice it to say that this Bill seeks to bring limit, clarity, and accountability to how the Cabinet of the Cayman Islands should exercise its powers in granting the right to be Caymanian.

Hopefully, having kept my comments precise and limited, I have set an example for others; but I fear that this is the dry sand that I am trying to move gently between without causing any spilling or any confusion. Wishful thinking!

Madam Speaker, I will say a few words in relation to the other two objects. I think everyone is aware that since Hurricane Ivan last September, the Immigration Department has struggled to meet the demand for temporary work permits as a result of foreign nationals coming to the Islands to avail themselves of work opportunities as we stroll to recover from the devastating damages which the storm caused.

Currently, there are some 8,000 work permits in effect (compared to about 3,000 prior to last September), and approximately 200 new applications are being received daily. Many of those temporary work permits, which have been issued since the hurricane, are expiring and in most cases employers are wishing to continue to employ the worker. In order to do so the employer must apply to the Work Permit Board or the Business Staffing Plan Board for the grant of a one year work permit.

Due to the numbers involved and additional vetting that is given to a work permit application, serious backlogs have arisen and the following statistics will illustrate the problem: There are some 1,500 applications for one-year work permits waiting to be scheduled for a Work Permit Board meeting. Within the next two months some 3,000 temporary work permits will expire and it can be expected that applications will be made on the majority of these for one year work permits also.

At present, the Work Permit Board processes 100 work permit applications each week, and at this rate it would take at least 15 weeks to clear the current backlog. It is clear that the department would not be able to keep up with the numbers of applications likely to be received in the coming months and the situation will simply become unmanageable.

An associated problem is that the Immigration Law removed the provision under the Immigration Law (2003 Revision) whereby a person who is previously employed on a six-month work permit could continue in that employment pending the outcome of a one year application, provided that the application for the one-year work permit was submitted prior to the expiry of the temporary work permit. The effect of this is that when a temporary work permit expires workers are not permitted to continue working and must instead come to the Immigration headquarters to obtain a stamp in their passport granting them leave to remain pending the outcome of the one-year application. This only creates additional work for Immigration department staff and is also a major irritation to employers who lose the services of the employee for a considerable period of time.

When you look at the queues we were experiencing at the department some weeks ago, it was taking people a number of hours to be processed.

The second problem concerns the large number of persons who are coming to the Islands purportedly as visitors when in fact they are seeking employment. Immigration records indicate that visitors from third countries above visitors from first countries have increased since the hurricane. The difference, however, is that the majority of the third world visitors are coming almost entirely for the purpose of seeking employment.

The Immigration Department has evidence that many of these persons have exceeded their leave to remain in the Islands and are now here illegally. This in turn creates an additional burden to try

to locate and deal with those who have overstayed. Additionally, many of these purported tourists are able to convince unscrupulous employers to apply for work permits on their behalf when they have no work for them. The worker then finds work for himself, and we suspect pays the employer an agreed amount each week. A number of such cases are presently under investigation by the Immigration Department and if at all possible will be brought to full prosecution under the Law.

So the amendments that this Bill proposes will address these issues by, first of all, giving employees the right to continue to remain and work with the same employer providing this employer has submitted the one-year work permit during the currency on the same terms and conditions as the temporary work permit. This means that businesses will be able to provide services to their customers without interruption, which is particularly important as we enter into another hurricane season.

Secondly, the Bill will prohibit visitors from changing their immigration status after arriving in the Islands. This means that visitors will have to leave the Islands before a work permit application (either temporary or one-year) can be considered and immigration officers will be authorised to refuse entry to persons coming to the Islands merely in search of work. We feel this would greatly reduce the number of persons attending the Immigration headquarters on a daily basis seeking extensions to their leave to remain as they await the decision on the outcome of an application.

Those are the reasons behind the two second objects (I said I would stay away from offering much on the first object). I trust that Members will appreciate the importance of all three of these and will give them their fullest consideration and their favourable support.

Thank you, Madam Speaker.

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

Honourable Minister for Education.

**Hon. Alden M. McLaughlin, Jr:** Thank you, Madam Speaker.

I rise to offer my contribution to this very important Bill before the House this morning. I intend to focus principally on what my friend and colleague, the Honourable Acting Chief Secretary, has termed the first issue. I believe he has adequately dealt with the other issues in relation to concerns about persons visiting these Islands for the principle purpose of seeking employment and the logistical difficulties which that has caused. I am not going to focus on that, but I will focus on the question of the repeal of section 20(1)(e) of the Immigration Law 2003.

While the provision in this Law looks rather insignificant, when one reads it, when one understands what has brought this provision in the Bill to

the House, and when one looks at the history of this matter, one comes to understand really how significant and fundamentally important this proposed amendment to the Immigration Law actually is.

James Madison, in delivering a speech to the Constitutional Convention in Richmond, Virginia, some 200 years ago, proclaimed that the essence of Government is power; and that power lodged, as it must be in human hands, will be ever liable to abuse. The objective of this provision is to ensure that because of that human tendency to abuse power, this Cabinet—and all Cabinets to follow—will be constrained by the legislation on a matter so critically important to the future of these Islands as the conferral of the nearest thing to citizenship that we, in our present constitutional status, are capable of doing.

I do not believe that there has ever been an issue that has created more controversy, more resentment, more ill feeling, more logistical difficulties—which are becoming increasingly apparent every day—than, in my view, the reckless and irresponsible actions of the last Government in indiscriminately granting the right to be Caymanian to some 2,800-plus persons in one fell swoop with little or no regard to those persons' qualifications, length of tenure in these Islands, ability to contribute or any past contributions to these Islands; [with little regard] to their criminal record or to any such matters which are ordinarily part of the consideration when one is considering giving the equivalent of citizenship to persons who were not born or who were not entitled to descent to citizenship in your country.

As recently as Monday I read a letter in the *Caymanian Compass* from Mr. Gordon Barlow, in which he discussed the whole question of the Cabinet status grants, amongst other things. The letter provides a lot of quite useful observations and, indeed, advice on a number of issues including the continued relevance of Vision 2008, of the need for integration, of the need for fresh blood and fresh approaches to a number of issues including administration of the Work Permit and Immigration Boards, including fresh blood generally in terms of approaches to the many problems we face in Cayman, the situation with crime being among them.

Mr. Barlow raised issues which I think we ought to consider. But I regret that in his letter he demonstrated a tendency to ignore the importance of orderliness of adherence to the Rule of Law, of compliance with proper procedure, and essentially urged that the country ought to forget the manner in which the grants of status occurred, put all of that behind us, he says, and move on. He is a strong advocate of human rights (as indicated in his letter), and has advocated for a long time the need to treat those who come to this country who have spent a long time here and contributed greatly to its development, fairly. On that point he is absolutely right.

Where I part company with Mr. Barlow on these issues is here: No country, no society, will long

survive if it does not adhere to the rule of Law, if it does not follow proper procedure. If citizenship can be conferred at the whim of the executive, if we can ride roughshod over the provisions of legislation and interpret sections liberally in the interest of some political mandate or another, the system loses predictability, it loses certainty, it loses credibility. At the end of the day we, as a Government, send a message to the society on a whole that adherence to the Law is an option, a matter that you do at your discretion.

You create a society which is content to ignore the law, that flouts the law with impunity. That, Madam Speaker, is not the society that Mr. Barlow found when he came here. That is not the society which I grew up in; that is not the society that attracted people, investment money and development here; and that is not a society which this administration—of which I am proud to be a member—is going to allow to continue to develop.

Madam Speaker, we talk of human rights and yes, Madam Speaker, there were many people who were granted status by Cabinet in that unfortunate exercise who ought to have been granted status a long time ago. There is no question about that. The system which obtained for years and years was disgraceful where no one was granted status for many years. People who came here and contributed significantly to this society, whose children were born and reared here, year after year—and in instances beyond twenty years with no security of tenure—lived from work permit to work permit. That was radically wrong!

But the exercise by the last Cabinet of deciding that (on what basis I do not think anyone knows, not even them) . . . I was about to say all and sundry, but I do not think it was really all and sundry because many persons who ought to have been granted status and who have been here for long periods of time still did not get status as a result of that exercise. But, because of the indiscriminate manner in which that exercise was undertaken, we wound up with people who are Caymanian—and whose status is now irrevocable because of the provision of that section—that all of us (even some of those who were party to that action) said to themselves in their private moments '*I really wish we had not done that.*'

Madam Speaker, the exercise was totally uncalled for because, having recognised those inadequacies, those injustices, and that inequity, on 14 September 2001 the Government which then held office (led by the current Leader of Government Business, my colleague, Mr. Kurt Tibbetts) appointed an Immigration Review Team to look at the whole question of immigration reform, to look at what Vision 2008 and other exercises which had been gone through over the years had said and turned up, to produce a series of reports to Cabinet for consideration following which Government would articulate a comprehensive Immigration Policy for discussion which would then be followed by a new Immigration Law.

As everyone now knows, the Government changed on 8<sup>th</sup> November of that year and the now Leader of the Opposition took the helm as Leader of Government Business. But, literally the day before the events which led to the change in Government occurred, the First Interim Report of the Immigration Review Team was delivered to the Government. That Report set out the broad framework for the new Immigration Policy, recognised the situation in relation to persons who had been here on a long-term basis, and indicated what it felt needed to be done in relation to that.

I was a member of that Immigration Review Team. The point of this background is, as I said, that the Government was on track to deal in an orderly and careful way with the immigration situation which obtained in these Islands in 2001. If that course had been followed as it ought to have been followed, we would have resolved the situation with relation to the persons who had been here for long periods of time and needed to be treated fairly. We would have done so in an orderly way that would not have foisted roughly 3,000 new citizens on the country at one time—plus their dependents, whose numbers I can only guess at.

**The Speaker:** Honourable Minister is this a convenient time to take the morning break?

**Hon. Alden M. McLaughlin, Jr:** Yes, Madam Speaker.

**The Speaker:** Proceedings will be suspended for fifteen minutes and I am asking Honourable Members to return to the Chamber within fifteen minutes please.

**Proceedings suspended at 11.43 am**

**Proceedings resumed at 12.04 pm**

**The Speaker:** Please be seated. Proceedings are resumed. The Honourable Minister for Education continuing his debate on the Immigration Bill.

**Hon. Alden M. McLaughlin, Jr:** Thank you, Madam Speaker.

When we took the suspension I was speaking of how unnecessary it was for the Cabinet to take the actions they did in relation to the Cabinet status grants. I believe I covered that adequately by talking about the appointment of the Immigration Review Team and the fact that it had prepared and submitted its first report on the eve of the events that led to the change in Government.

Madam Speaker, it is easy, I suppose, for those who have been the recipient of those grants (and perhaps even more so for those who were the perpetrators of that unhappy event) to say that it all ought to be forgotten and not rehearsed again when

we come to deal with this Bill. Those sentiments have been expressed to me as recently as a few minutes ago. But those who ignore history are condemned to repeat it. The whole objective of this Bill is to ensure that that particular event in history is not repeated again in the Cayman Islands.

Madam Speaker, I believe that in our haste to gloss things over and to be nice and sweet and forgiving in this country we often ignore the consequences of acts and we do not spend near enough time analysing them and seeking to find means to ensure that they never occur again.

In all of the discussions that have ensued over the course of time about the need to integrate, accept and accommodate persons who have been here on a long term basis, often ignored is the impact of these things on the Caymanian society from a social and economic standpoint. There is no question that the significant immigration that we have enjoyed over the course of the past 30 to 40 years is in large part the reason for our tremendous development and success and the great standard of living we enjoy in this country. But we also need to acknowledge, when events like this transpire, that there has also been a huge social cost attended to that success and development.

It has always been, and I believe always will be, a most difficult task to balance the tensions that are inherent in a society which is constantly growing as a result of immigration. There will always be the question of the rights/opportunities afforded to Caymanians in all of this development and the rights/expectations of persons who come here settle, make a life and contribute to this society. I would be the first to acknowledge that we have not handled it as good as we perhaps could have as a nation, even as a society.

At the same time I am quick to say that I doubt there is any other society in the world that has managed to accommodate such an influx of immigrants and has been able, up until now, to operate without unrest or racial tension the way that these Islands have.

When one considers that in 1970 the population of these Islands was just over 10,000 people, and now I would reckon that it is nearer to 50,000, some 35 years hence, and one also factors in that the majority of that increase is not the result of natural increase but of immigration, and yet we are still able to live together as a relatively cohesive society, as a very prosperous society, as a fairly integrated society, I think when all of the criticisms are being levelled at us and all of those brick bats are being thrown, perhaps the odd compliment would not be out of place.

I come back to Mr. Barlow's letter in Monday's paper where he talks about commonsense solutions. As I said earlier, much of what he said does make good sense. He talks about the importance of open Government, the situation of violent crime, Cayman's image overseas (observing international

laws would be a good start). He talked about Caymanian status and says that we need to revive the way in which it was handled in the late 1970's when immigrants were actually welcomed. He talks about a new constitution and the need to abandon ethnic discrimination.

I am not sure where that latter provision about ethnic discrimination comes from. Unfortunately, I do not see anywhere in that list of things that need to be addressed, and the way that they ought to be addressed, the whole question of the place of Caymanians in this wonderful society that we are trying to develop. I only see a complaint: his allegation that appointments to Government boards are only made from amongst the Caymanian population—which is patently untrue.

In this he is right: He says, “social tensions are at a delicate stage again.” He goes on to say, “many ex-pats are wary of the new Government’s intentions toward them.”

Madam Speaker, all sorts of wild allegations and propaganda were spread in the run-up to and during the election campaign about the PPM administration and how as soon as it took office it was going to start a campaign to get rid of foreigners and, in particular, Jamaicans. That matter has been addressed on a number of occasions prior to and during the campaign, and formally in this Honourable House when the Leader of Government Business spoke shortly after the new Government had been elected—the same day.

I can assure Mr. Barlow and the entire country that this Government fully recognises and value, the contribution of the many persons who live here, who work here, who were not born here of Caymanian stock. There has been no intention, and there will be no anti-expat campaign as has been stated and in this case inferred. But, at the same time, we have a responsibility to every person in this country—Caymanian or otherwise—to ensure that those persons who are Caymanians and those persons yet unborn who will be Caymanians, find this place a hospitable environment in which they can live, grow, develop themselves, make a decent living and raise their families. That necessarily means that we cannot throw wide the doors of the country and say that all and sundry are not only entitled to come here and work, but all who come here will be granted the right to be Caymanian. We make no apology whatsoever for saying that.

We are fully cognisant . . . I can speak for myself to say that I understand how critically important persons from overseas are. Foreign investment is for the continued development and success of these Islands. We need to be able to continue to attract to this jurisdiction the best people to help us continue to build this country. As a partner in a law firm and as one who has worked in the financial industry for 21 one years I am very cognisant of that. But at the same time we need to ensure that those people who

are of this country, of this soil, who work hard, who obtain the necessary experience do have the opportunity of upward mobility to be able to claim their rightful place/stake in this country that we have been developing over the course of the past decades.

I regard the conferral of the right to be Caymanian as sacrosanct. It ought not to have been cheapened in the way it has—conferred, in some instances, on persons who have never set foot in these Islands. In other cases, [conferred] to those who had been here for a matter of a year and a bit. Conferred on persons without any regard to whether or not they had criminal convictions. That cheapens the citizenship, cheapens who we are; it sends a message that this is something that politicians can disburse at their will. And that concern is at the core of the Bill that is before this Honourable House—the provision in section 3 of the Bill.

Section 20(1)(e) of the Immigration Law 2003 provides that: **“20(1) a person shall, for purposes of this Law be deemed to possess the right to be Cayman if- (e) the Governor, in his opinion finding special reason for so doing, grants such right to him.”**

It is that provision which was invoked—wrongly we say—by the past Government as the basis on which the 2,800-plus grants of status were made. I should hasten to say that when it says “the Governor” it means the “Governor in Cabinet.” The Government concluded (it appears) that there were special reasons for granting the right to be Caymanian to each and every one of those persons who received it. I have struggled to understand how one can find a special reason if one does not even know to whom the grant is being conferred. But those arguments were for another time. That time has passed.

The PPM has taken the position that what is done is done, and that we cannot and should not in any way seek to challenge or question the grants that have been made. People have made life decisions based on those grants. People’s lives have moved on and this Government will not seek to disturb those rights which have been conferred.

Our objective is to ensure that such an event never occurs again. The provision of section 3 of the Bill will remove the current section 20(1)(e) and substitute a new provision instead. No longer will the Law say that the Governor in Cabinet will find a special reason for granting the right to be Caymanian to anyone. What is being proposed is that grants of the right to be Caymanian may be conferred by Cabinet only on the recommendation of the Immigration Board and, in any event, should be limited to four per annum and should be subject to ratification by this Legislative Assembly.

I will attempt to explain the rationale for that proposed provision. For some time we were minded to simply repeal section 20(1)(e) in its entirety and thereby remove altogether the right of the Executive to confer the right to be Caymanian. We were seri-

ously tempted to go down that route in light of what had transpired. But we were aware that there are occasions when perhaps an error is made administratively in granting the right to be Caymanian by the Board (indeed we were told that has occurred in fairly recent times), and that Cabinet ought to retain the ability to make right those sorts of administrative wrongs.

One can contemplate other instances when events/circumstances might plead the case very strongly that certain individuals ought, for one reason or another, to be granted the right to be Caymanian notwithstanding that they are not able to comply with the current provisions of the Immigration Law which require a long period of tenure in these Islands, obtaining of permanent residency, British Overseas Citizenship, before you can actually move on to become Caymanian.

So we were persuaded that the way to deal with this is to create a provision by which the Caymanian Status and Permanent Residency Board can actually make a recommendation to Cabinet that this person or that person ought to be conferred the right to be Caymanian. The need for a person to be granted the right to be Caymanian does not emanate from Cabinet. In other words, it takes the politicians out of the equation in determining whether or not a recommendation ought to be made.

Cabinet, having received the recommendation, then considers it and decides whether or not to grant it. If it is granted it is still subject to ratification by this Legislative Assembly which will allow Members here to debate the question if there are issues of which Cabinet is unaware, or the Immigration Board was unaware. They can be raised here and a decision taken by this Legislative Assembly. If this Legislative Assembly does not ratify those grants then they will fall away.

That fulfils a number of important objectives which are important to the culture of this Government. Firstly, it removes the issue of personalities and political patronage because it is not Members of Cabinet who are able to propose the persons to whom the right to be Caymanian ought to be granted.

Secondly, it accords our principle of openness and transparency because the grants have to come here to this Honourable House and all Members of this Honourable House are able to question them in a public domain and the public at large can know the basis on which Cabinet has exercised what (as far as this Government is concerned) will be a provision which is used only sparingly and voted on.

Thirdly, it creates accountability. The Executive is accountable to the Legislative Assembly for what it has done.

Fourthly, it imposes an important check and balance on the power of the Executive.

Madam Speaker, if one can point to a fundamental problem, or defect, in the system of Government that we have (the Westminster style of Govern-

ment), a criticism that is levelled over and over again is that it lacks sufficient checks and balances on the power and authority of the Executive. That is a point that we have made over and over again as we have talked about constitutional reform and the need to improve our system of governance. The exercise that we are going through today (the passage of this amendment) is an indication of this Government's commitment to that principle—the need to impose more checks and balances on the authority and power of the Executive.

This provision which allows the power only to be exercised on a recommendation from the Immigration Board and then requires ratification by the Legislative Assembly creates a very important check and balance on the authority of the Executive.

Madam Speaker, when one looks at the Manifesto of the People's Progressive Movement under the section which deals with immigration (this Manifesto that my good friends in the Opposition described derisively as *the little red book* during the Election Campaign) on page 23, one of the campaign promises we made was to “amend the Immigration Law to prevent Cabinet from again making a wholesale grant of status to hundreds or thousands of persons.” So, on this first opportunity that we have had, we came to this Honourable House and proposed an amendment to the Immigration Law which will do just that.

As I said when I started, the essence of Government is power; and power lodged, as it must be, in human hands will ever be liable to abuse. Madam Speaker, we believe that this amendment to section 20(1)(e) of the Immigration Law will go a long way to avoiding and preventing that kind of abuse to which section 20(1)(e) was subjected by the last Government with long lasting and deleterious consequences.

We hope that with this amendment firmly in place we can finally put this issue behind us that the persons in this community, which include persons who obtained status the good old fashioned way over the years, will derive some degree of comfort and assurance that no Government will ever be able to walk down the dark and dangerous road the last administration led this country unwillingly, reluctantly, but, nevertheless, led the country.

So Madam Speaker, with those few remarks I thank you for this opportunity to offer my contribution to this important Bill. Thank you.

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

The Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, the history of our country clearly shows that our people, in times not too long ago, when these Islands were unable to produce jobs and a sustainable living for everyone, were welcomed by various parts of the United States of America—Port Arthur, New York, Tampa,

Miami—and other areas and other countries, Honduras, Nicaragua and Jamaica, in particular. Many of our people were welcomed in those areas and were able to make a living for their families. Many others worked on merchant ships in other countries in order to be able to send back money so that their children, wives, parents and other loved ones, would be able to buy food, clothing, shelter and the other necessities of life.

You never heard of politics. The will to survive and the need to keep one's own family the best that one could (not politics) was the order of the times.

Madam Speaker, without that Christian attitude and kindness, many of us would not be in the position that we are in today. We should not forget how many of us attended hospitals (to be born or otherwise to receive other medical attention), and how many children lived with families abroad while attending school that treated them like their own children and as part of their family.

Many people from many nations have come to our Islands and have helped us develop it to a point where we are now the envy of many of those countries—not only in the Caribbean, but in the more developed world. These people came from all walks of life: from those that collected garbage to those who took care of our elderly, our disabled and sick, those who made our beds and looked after our children, which enabled parents to work to enhance their standard of living. There were pastors who assisted with our religious education, family values and our Christian beliefs; teachers who patiently educated our children and allowed them the opportunity to enhance themselves and their future families and on many occasions took the role of our hard working parents; nurses, doctors and other health practitioners look after our families when they are ill. Service industry personnel who assisted in the growth of our tourism industry; construction workers and maintenance personnel who built our houses and serviced our daily needs; law enforcement officers who work diligently to keep our country a safe place for us, our visitors and our children. Civil Servants who kept the arms of Government running and provided for the needs of our people; industry personnel who developed and serviced an industry which is now recognised as a world leader and many others who invested their money and helped to grow our economy and assisted in times of need and emergencies.

Madam Speaker, while our people have worked very hard to build these Islands . . . and nobody need think that they are any more nationalistic than McKeeva Bush! In fact, I have taken beating after beating for being so. Our people—their blood, sweat and tears from the Mosquito Cay Banks to the tourism industry; from National Bulk Carriers to the rope-making industry – and also as you recall, [tree] barking. Yes, those people worked diligently to build this Island. Without those people who came here, we

would not be where we are today. Some of us in this House who have the privilege of representing our people would not be in this House today had it not been for some of those countries I named earlier.

Madam Speaker, for more than 20 years prior to my becoming the Leader of Government Business successive Governments and Members of the Assembly committed election campaigns to recognise those people and to do the proper Christian thing and include them in the society in which their children had already become an integral part.

The Minister of Education, who chose to debate in the manner he did, said it was a difficult task to balance the tensions caused by immigration. It is so true. One time I said that there was a cluttering of the infrastructure while trying to come to grips with the problem of work permits. That too was blown out of proportion.

I suppose when I sit down there will be those that will jump up and take the same line. Go ahead!

Madam Speaker, immigration and migration has been a problem of the ages for developed and developing countries. We tried to remain as small as possible with little or no problems. That is what we all wanted. The Member spoke about the 1970's population. But because we wanted to become better off and wanted to have the best—the best houses, cars, schools for our children, air-condition, to have the best food and have it when we want it—we grew. And with unparalleled growth came the challenges.

Madam Speaker, we wanted to have the biggest (and as many as possible) to feed the industry we were building—law firms and banks. The challenges came, some manmade, some as part and parcel of the natural growth of these Islands. Was it all bad?

All sorts of things have been said as to why the status should not have been done. They call it reckless, unlawful; called it indiscriminate, they even called me the king of status!

*[Laughter]*

**Hon. W. McKeeva Bush:** Madam Speaker, am I that powerful that McKeeva, one, could do all of that?

No, Madam Speaker! Not Roy and Gilbert by themselves—all of us!

If it was indiscriminate, if it was reckless, if it was unlawful (I think the word was. I don't want to quote the Member wrong) . . .

*[Inaudible interjection]*

**Hon. W. McKeeva Bush:** He is saying that is what he said.

If it was, then everyone—everyone!—is guilty. Cabinet is not McKeeva, one. It is headed by the Governor.

Reckless?

Indiscriminate?



Unlawful? with the Attorney General and the Financial Secretary, the Chief Secretary and the civil servants pouring in names.

Illegal?

Reckless?

Indiscriminate?

Madam Speaker, I do not think so and neither did those who sat in Cabinet.

Madam Speaker, yes, all kinds of things have been said. Five Cabinet Ministers make policy and five Cabinet Ministers in the majority carry out the will of the Government of the day. If Civil Servants choose to become part of that policy they voice their opinion, and if they say “yes” or “no” sometimes the Governor will listen because the last word is with the Governor. He can say, *I do not want this, I have gone to London and London does not like it therefore it cannot happen*. But if that does not happen then the matter is agreed and carried out.

Madam Speaker, I did not come here to make apologies. When I am ready to make an apology for something I am willing, able and think it right to so do.

Madam Speaker, only a chosen few who, through successive Boards, appointed by Governments, and who were required to privately (listen carefully, Madam Speaker, because I am sure that you are aware of this. You’ve been around here long enough) deliver the list of the chosen few from the Board to the Executive Council, who then eliminated all but their chosen few and returned that list to the Board were included and counted as worthy members of our society.

I heard the good Minister of Education say that the right to become a Caymanian is sacrosanct. All we need to do is look at some who have gained Caymanian status through the Board of the day to see whether it was sacrosanct or not! Just look throughout this country and you will see some appointed by the Board!

Remember the court cases that went up to Executive Council? The list sent by the Board of the day to the Executive Council? And names were struck off. And do you know what was ruled? Go back in history and you will find it. Do you know what was ruled? They had to get it because the Board put it on the list, but Cabinet struck it out. But they had that list and it went to court. Think about it.

Unlawful?

Indiscriminate?

Reckless?

Madam Speaker, if there are people who are not what they should be and they have gained status through the Cabinet grants, then deal with them. Deal with them properly. I am not here to say that I knew everyone that went through, because I did not know personally.

Madam Speaker, a good example to these challenges that we face . . . I hear people talking about the reason why we did not support it or we did not like it is because they are going to give us a chal-

lenge for our business. I am real estate person—that is the only business I have been in for years. Do you know how many people have started and had it? I did not look at it that way. I said they are here and making a contribution and I guess I would have to sharpen my pencil and put my nose to the wheel because this must be done. Right is right!

Even if the Board grants them they can pose challenges.

One of them that gained status that I can think of can even sell newspapers. He went to prison too! Uh-huh. I guess they checked him. I guess they checked him in and out. [He] not only gained business but gained royal honours, what was called MBE—stood for My Bloody Effort!

If there is anything that is in poor taste . . . anything that downright should go, it should be that situation put right!

**The Speaker:** Honourable Member, I would appreciate if we moved away from that and if you feel that should go then maybe a motion should come to this House—

**Hon. W. McKeever Bush:** On what?

**The Speaker:** On MBE. Let us deal with the Immigration Law, please.

**Hon. W. McKeever Bush:** That was just to jog your memory, Madam Speaker.

**The Speaker:** I am asking if we can deal with the Immigration Law please.

**Hon. W. McKeever Bush:** I am dealing with the debate by the Minister of Education and this Bill goes far and wide, as they said. But I figured when I said that . . . because you know, pals are pals, I would have touched—

**The Speaker:** Honourable Member I have asked you to stop dealing with—

Would you please sit down?

Thank you.

**Hon. W. McKeever Bush:** I will stop now Madam Speaker.

**The Speaker:** I am not saying that you are not going in the right direction with the Immigration Law as to how the Honourable Minister of Education spoke, but I am saying there is nothing in this Law that deals with honours that are granted by Her Majesty the Queen, and that is what I am asking you to stop referring to please.

Would you please continue?

**Hon. W. McKeever Bush:** Can I explain Madam Speaker, or shouldn’t I?

**The Speaker:** I would rather if you continued with your debate.

**Hon. W. McKeeva Bush:** All I say is that in this Honourable House you do have a right to explain what you are saying, especially when you are challenged. But I will carry on, Madam Speaker, because this is not the only Wednesday.

**The Speaker:** Thank you.

Would this be a suitable time to take the luncheon break, or are you hoping to conclude soon?

**Hon. W. McKeeva Bush:** I am hoping to conclude in fifteen minutes.

**The Speaker:** Okay. Please continue.

**Hon. W. McKeeva Bush:** Madam Speaker, I say again, though at the risk of getting you angry, that I thought when I did that you were going to jump to your feet. I must say that.

**The Speaker:** Honourable Member, I would appreciate if you would sit and withdraw those words that you could read my mind that I was going to object to the direction you were taking your debate. I would appreciate if you would withdraw those words.

**Hon. W. McKeeva Bush:** Madam Speaker, let me just say that if that upsets you so much—and I want to keep things on an even keel in this House—I will withdraw it.

**The Speaker:** Thank you, Honourable Member. Would you continue with your debate?

**Hon. W. McKeeva Bush:** My mind, is my mind.

**The Speaker:** That is your opinion.

**Hon. W. McKeeva Bush:** Opinions are constitutional.

Madam Speaker, the elitist approach to the granting of status that I spoke about earlier, when the list was taken to Executive Council, was conducted under the guise of transparency and eventually led to complaints about this country's human rights record.

In recognition of the contribution made to our society by various people from all walks of life and as part of the 500 years' celebration, Government of the day made a decision to do what they thought was the proper Christian and human thing by recognising those people and including them in our society and excluding them from what has properly become known as our indentured labour population.

Madam Speaker, the point made about the need to remove glass ceilings and the need to ensure upward mobility for our people has not been done away with. That has to be addressed. And it will always need to be addressed. The legislation provides

for the Caymanian Status and Permanent Residency Board without criteria set out in Law to make a recommendation to the Cabinet to grant no more than four grants in each calendar year. After Cabinet has made the four grants they then have to be sent to this Honourable Legislative Assembly where the same Members of Cabinet—who are bound by collective responsibility and who originally made the grant—will then ratify their own grant in this House.

The point being made that cabinets do not grant status . . . in some countries it is left to the Minister of Immigration. That is an administrative fact—check Bermuda and check others. That is the way it is done—by the Minister not even by the cabinet.

I am fully aware of why this amendment is here. There have been a lot of complaints about the Cabinet grants. It was obvious that a lot of Caymanians did not wish this to happen. Of course, the more that we make noise about it the more Caymanians will dislike it. It did not stop so many from running to us and saying, *this is not good but what about so and so. What about my maid that has been here all of this time; and what about my son-in-law or what about this one.*

I have to listen to what Caymanians say, because they vote for me. That is what put me here and I have to listen to what the majority say. But I have to make the best judgment on an issue that I feel is done for everyone.

So, Madam Speaker, even in the Election campaign they were still beating up and carrying on, even those that recommended people. I have a list here for jumping on the bandwagon and beating up and carrying on that this was the worst thing that Government could do.

Madam Speaker, so the matter will come to this House for a vote. The best thing they say that can be done. I reckon that the five Opposition Members if not in agreement would still be the minority, and the Government would be the Government, and the Government would ratify that which they approved in sunlight.

*[Inaudible interjection]*

**Hon. W. McKeeva Bush:** Same thing. Can't have the sunshine unless you have sunlight.

But I say this—abuse?—they can holler as long and as hard as they want. The Minister of Education gave an eloquent debate. They can do that. Do you know why they can do that, Madam Speaker? Because they do not now have to do that again. It's the easiest thing in the world to do that.

I am trying not to aggravate you here, but since my Cabinet took the difficult task (the Cabinet I was a part of) of trying to correct the long outstanding immigration issues by dealing with the short-term issue and ensuring that there was a rollover policy in place, and then dealing with the long-term issue for those people . . . no doubt the public, who has been

advised that the exemption from the rollover policy is under review, will now anxiously await the quota issue by Government in relation to how many of our deserving participants in our society the new Board will be permitted to grant.

The other two areas in the Law are supported by the Opposition as well. As for that section, let me close by saying that posterity—time, not one or two election campaigns—shall be the judge of whether the Cabinet grant was right or wrong to do.

Having said that, I will say that what I said earlier . . . think good. I still mean it.

**The Speaker:** Proceedings will be suspended until 2.30 pm.

**Proceedings suspended at 1.12 pm**

**Proceedings resumed at 2.39 pm**

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

Second Reading on the Immigration (Amendment) Bill, 2005, continuing. Does any other Member wish to speak? Does any other Member wish to speak? Does any other Member wish to speak? If no other Member wishes to speak . . . the Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker.

I rise to give support to the Motion on the floor of this Honourable House. I would like to begin by saying that [in] small territories, like the Cayman Islands, it is the Government's obligation to protect and serve and to enhance the way of life and development of the country and its citizens.

Immigration is an area of great concern to most nations. Our small nation is no different. We have to be extremely careful because of our size. The granting of Caymanian status by the masses was, in my opinion, a reckless and ill-conceived notion. The PPM Government (and I need to make this very clear) is not anti-foreign. Caymanian people have always been known for welcoming people to this country with open arms.

Our open-arm policy has led to many recorded cases of abuse. As a matter of fact some can say that we have on occasion opened our arms a little too widely. Many cases have been recorded in this country of unscrupulous people from other countries, individuals, and those who head companies, who have taken advantage of the Caymanian laid back way of life and their open-arm policy. Be that as it may, it is a difficult pill to swallow when advantage is seemingly taken of Caymanians by their own Caymanians.

We will continue to welcome visitors and business people alike to this country. Our tolerance level has been excellent. But it continues to wear thin. I see no reason why we should push it to the breaking

point. Madam Speaker, my grandfather (now deceased) was a born Jamaican. And I loved that old man like I love life itself. I have nothing against Jamaicans. I have nothing against Hondurans, Americans, English people, Canadians; we all have to co-exist in this world. But granting citizenship in a country of our size must be done in sensible moderation.

The right of citizenship in any country must be earned; it cannot be conferred on individuals because of personal favours to any individual in government or otherwise. It cannot be granted simply for the sake of political, financial contributions. We have and must always be vigilant with the types and numbers of individuals to whom we continue to give away our citizenship.

There is an old story, Madam Speaker. In the early years after the independence of the United States an early President invited an old Indian Chief to the White House for discussions. Upon leaving, the American President said to the old Chief, "Thanks for your visit. Do you have any advice for me?" The old chief replied, "Yes, I do. Be careful with your immigration policy. We were careless with ours."

I have received representation from many young Caymanians who we have encouraged and assisted with improving their educational standards on the way to improving their way of life. Many of these Caymanians have gone away to colleges and universities and done us all proud. We continue to brag of all the number of Caymanians returning home, but cannot now find work in those areas in which they are qualified. Madam Speaker, it is always in areas where they have problems with an individual who is either on work permit or for some reason or another has just been given status. I am not just blaming the past government for that. That has gone on for too long.

We have young Caymanians who are contemplating leaving this country to seek employment in other countries that need their expertise. It is not that the need is not here, they cannot find the jobs for which they are qualified. In most cases (and I repeat) it is because there is a new status holder or someone on a work permit is in that position.

This is one of the areas that I believe has been the real cause of what we have been calling in recent times the 'brain drain'. Our young people have qualified themselves with our assistance (we see the need to encourage these young people improve their educational standard) and then we do not follow that up to see that their jobs are protected.

I listened to the debate by the Leader of the Opposition earlier today. He made mention of all those who jumped on the bandwagon and made their additions or gave their list for status. He said if it was so bad why did they all include themselves or participate in the process. That, Madam Speaker, is human nature. I will say this: one wrong decision leads to many more, and people follow suite.

The teachers . . . he also mentioned doctors, nurses, helpers, gardeners, lawyers, accountants, police officers, clerical officers; workers from all walks of life. Madam speaker, our people and the PPM Government also embrace all those who qualify for Caymanian status. They should do so through the proper channels. I dare say that this is one of the areas I personally championed during the campaign and even now I still get many phone calls. Many of our Caymanians, mainly our young Caymanians, feel threatened.

I recall one case in particular when the first set of statuses was granted I had a call from a young lady who is employed with one of the hotels. I had been talking to this young person even before I decided to run for office. She was having difficulty staying in the job because she was not being treated the way that she should be treated—and not because she was Caymanian but just because you do not treat people that way. I encouraged her to please not give up; to stay there, do the best she could and one day she would be rewarded. She took my advice and remained there. And it went on for months.

One day out of the blue this young lady called me in tears asking what she should do now. I asked her what was the matter and she said, “You know what we were talking about, well this person that I am being trained to replace walked into the office this morning and said, ‘I now have status’. What am I supposed to do as a young Caymanian? I have just gone through the process of completing a mortgage with the anticipation of being promoted and of a little more salary.” Now this individual, who incidentally was not on the Island long enough to qualify legitimately for Caymanians status, had now been conferred Caymanian status and blocked the upward mobility of a young Caymanian. This is just one individual but I know and you know that there are many, many more.

I would have felt a lot better here today had the Leader of Opposition stood up here and acknowledged that a mistake was made. We all are human beings and we all make mistakes. We will continue to make mistakes because none of us are perfect. But, I believe, Madam Speaker, that this country is somewhat worse off today.

There are many problems that we are experiencing because as a country right now due to that ill-conceived notion of mass status grants. I cannot (and I have tried in many different ways) figure out why we could not see through this. I have been made to understand that Cabinet was not even aware that the status being granted was irrevocable until that matter was brought to their attention right here in this Honourable House.

In closing, I want to offer my support to this Motion and say, Madam Speaker, that if individuals who are responsible for this act of mass status grants would care to remove their shoes and examine the

soles of their shoes, they will see many crushed dreams of young Caymanians.

I thank you, Madam Speaker, for allowing me to give my contribution to this Motion.

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

The Honourable Minister responsible for Works, Communications and Information Technology.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

I obviously rise to give my support to the Amendment to the Immigration Law 2003 which is before this Honourable House. I believe, like the Minister for Education, that the Acting First Official Member has quite eloquently laid out the provisions from section 4 of this amending Bill. Therefore, I will not spend a lot of time on that area. Certainly, Madam Speaker, section 3 of this Amendment is an area that gives rise to the political differences. I shall concentrate my time in that area.

In 2003 when the Cabinet saw fit to grant wholesale Caymanian status to some 3000 people in this Island, deservingly or not, I was a member of the Opposition and opposed it then. I did not make any bones about it, I opposed it quite strongly.

Madam Speaker, I believe at that time one of the positions I took was that if Cabinet, knowing the difficulties we have experienced over the years with our Immigration Laws and the controversy surrounding expat versus Caymanian issue, if we had remotely followed the letter of the law, which at that time if one had resided in this country for over ten years they could apply for the grant of Caymanian status; if they had remotely followed that we would not have to be here today debating a change of section 21 paragraph (e) in the Immigration Law. At least the country would have understood that the people who were being granted Caymanian status and the right to live among us had been here and qualified at least with time. For some reason the Cabinet, in their infinite wisdom, decided that they were going to issue them as they came in.

I will never forget when the Legislative Assembly was in the Kirk House Building and it was being debated. I made quite a stir in the Legislative Assembly that day when I called certain names, and the Minister for Education did as well. Madam Speaker, I do not know of “reckless”, “abusive” “*ultra vires* of the law” is the most appropriate to describe the actions of Cabinet at that time. Certainly, when this country granted Caymanian status—that which is most closely akin to citizenship—to people who had been in this country for less than 18 months, I became concerned.

Let me get it straight before I go any further. Let me explain to this country that I am not anti-foreigner. I could probably be described as very pro-Caymanian. For that, I make no apologies.

Madam Speaker, I heard the Leader of the Opposition speak about how we all at some stage or another . . . this country was built on my ancestors first of all coming here and then, later in that line of ancestry, going overseas to other countries to make a living for the betterment of their families and to build their home (that being the Cayman Islands). Now, I too decided to do that. I believe that my reasoning for doing it was maybe a little different from my father, his father, and my great-great grand-father. I choose to do it because of the experience that it would afford me and, secondly, I wanted to travel to places where my forefathers had also travelled.

I hasten to remind the Leader of the Opposition that I lived and went to school in New York as a Caymanian for almost 10 years and not once did I hear the Mayor say, or the President of the US send me a letter and tell me that I had citizenship. What I am saying here is that there are many people in our country that went to other countries and became citizens, but they had to wait their turn. They had to live in those countries and conduct themselves in such a manner that was becoming of a citizen and then they had to apply, and in most instances they did not get it either. Now, that tells me that any citizenship bestowed should be considered a privilege. Granted, Madam Speaker, I really did not apply because there is no place like Cayman!

You know, I have waited a long time to say what I am about to say—quite a few years.

Some time ago a gentleman took us to task in the *Caymanian Compass* about wanting to be a nation! Madam Speaker, when I left my country I knew I would not be “somebody” in someone else’s country. I had to be back in my country to be somebody. The reason I left my country was to better my life and certain circumstances. I would like to think that such is the case with all of us who migrate. I know that gentleman was not anybody in his country. He came here and this is the only place he could be anybody. Be that as it may, Madam Speaker, we have welcomed people in our midst and we continue to do so.

I recall some time ago saying in this Honourable House that I would like someone to take 365 million people and drop them in America. That is when we will really see what kind of tolerance and acceptance they have. That is what we have done. So, when the Leader of the Opposition talks about Christian values, he must be talking about himself—and the lack thereof—because we have exercised that and he is using that as an excuse for the act of Cabinet.

He must stop blaming the civil servants! He must stop blaming the Governor! If we want to run our country we must run it! Stop blaming the civil servants and take the responsibility for it squarely on your shoulders.

Now I know that the mere amendment to the Law does not say that this will never happen again. But I know what they have to do: they have to come

in the public forum and change the law again. Whoever is the successive government will have to come back here and stand before the people that voted for them and tell them the reason why they want to change the Law back to the original position of being able to do what they want. They cannot change it in secret unless . . . of course, we do not know what kind of leadership we will get in the future. However, I know that if it resembles anything that we had prior to 11 May 2005, the country had better be careful!

Madam Speaker, it is time we put the checks and balances in place for the Executive of this country.

I want the country to understand, and I want this Honourable House to understand, that I did not agree with the total repeal of 20 (1) (e), which says, **“A person shall, shall for the purposes of this Law be deemed to the right to be Caymanian if- the Governor, in his opinion finding special reason for so doing, grants such right to him.”** Madam Speaker, I believe that the Executive in any country does not need to have its hands tied. There are mitigating circumstances in anything we do. I believe, Madam Speaker, that the spirit of the previous Immigration Law was written for that intent; in order that it would be used sparingly.

We cannot legislate morality—and I did not see too much of that floating around the place recently. That is the reason that provision in the Law was abused. This amendment plugs the hole. We are going to ensure that any Cabinet that comes behind this one (which I suspect will be a few years down the road)—any Cabinet—will be subject to the Law, unless, of course, they change it. We have to ensure that we cannot, that no one should, encroach on the rights of any country, like the previous Cabinet did.

I believe the Minister of Education in his contribution talked about how the vicious rumours were being spread during the campaign. That is, that the PPM Government would be setting out to take away the status that was granted. No such thing could be farther from the truth. However, that was the UDP Party spreading these rumours looking for political advantage. But I trust that the party understands they got exactly what Bird got in Antigua. He did the same thing! He did the same thing, and the people said that was not the way they wanted their country to be run by the politicians.

Madam Speaker, I tell the people of this country the bare facts. I am known for that. I never once campaigned on the basis of trying to remove the status grants. In our manifesto—the little red book—we said we were going to amend the Immigration Law to prevent Cabinet from again making a wholesale grant of status to hundreds of thousands of persons. That is what we are doing here today. We have no intention of [removing the status grants] because if this Cabinet goes and reverses something the previous Cabinet had done, there would be law suits in the courts, and not only that, every Cabinet that comes

along will reverse the decisions that were there previously. Then we are going straight into the *Banana Republic* that the UDP was turning us into!

We are going to ensure that this country is run on an even keel where every human being in this country is respected and the rule of Law is paramount!

I said here after being sworn in as an elected Minister, this is no place for unsavoury behaviour. And he who thinks he is going to come here, or even commit it here—whether they be Caymanian or otherwise—it will not be on our watch. It will not be tolerated in the Cayman Islands any longer.

Madam Speaker, we welcome people to our country and we (the five Members of the Opposition in 2003) supported the Immigration Law. Therein lies provision to ensure that people are not discriminated against like they were in the previous one, according to the Leader of the Opposition. He talked about the elitist society. That is his opinion. I would like to think it was not crafted well in order that we allowed so many people so many times to stay here and then we could not deal with them. However, in the middle of trying to rectify that by law, the Cabinet took it upon themselves to do what they did.

There is no such thing as grants anymore. The Law makes provision whereby anyone who has been living in this country for extended periods of time and has indicated a desire to integrate with the Caymanian people will be given every opportunity to live here and call themselves Caymanian. However, they have to jump through the hoops—the clearly defined process and hoops—so we can see that they intend to be a good citizen in our country. There is nothing wrong with that, we had to do it! We had to do it. Every one of us that went to America or whichever country, we had to do it.

However, the Leader of the Opposition comes here talking foolishness about Christian values and that is why this was done, trying to justify it. Madam Speaker, there is no justification for their acts that have now made it a requirement that we bring an amendment to this Law. There is a fundamental difference between the previous Administration and this Cabinet—we are prepared to do what is necessary and right and within Law. We are prepared to legislate Laws to protect all! We are going to come out of the bedrooms and limit the kind of power Cabinet and the Administration have to go into people's bedrooms. We need to stop going into people's bedrooms, Madam Speaker. When I say going into people's bedrooms, I mean legislating Laws that affect people directly in their way of life. There has to be certain privileges given to people in our country.

During all this controversy surrounding the grants of status in this country, we continue to hear the outcry. Let me say that some of the people who received those grants are embarrassed. As much as they appreciate it they are embarrassed because they recognise that it should never have been done that

way. It cheapened it. Human beings love challenges and they too wanted to know and be able to say that they worked to get their status.

I hear the Leader of the Opposition say that so many people, all those who submitted the names, that we need to talk about them too. I know that . . .

**The Speaker:** I know.

*[Inaudible comments]*

**Hon. V. Arden McLean:** Yes, it is a pity that he did not call the names of the people he has a list of.

I know that the Leader of the Opposition talked about how Arden McLean submitted lists too. I have heard him with it, and I have heard my political opponent in East End talking about it too, and I know he got it from the Leader of the Opposition! He got it from the Leader of the Opposition, but I challenge both of them—including the big ear man who came up in East End, supporting that one too. I challenge all three of them to come with the list that Arden McLean submitted and also come with the people who received the status because they lied to the people of this country.

They must learn to behave themselves, and if they are going to call names—call names—but leave mine out of it.

Madam Speaker, I find it quite amazing that the Government will now bring an amendment to this [Law], we see the necessity for it, but the Leader of the Opposition and his supporters cannot and refuse to see the necessity to change this. Not only for them, because as always the Opposition is the government in waiting; not only for the Opposition but for future generations, for future generations to ensure this kind of act will never be done again. You know the amazing thing, Madam Speaker, in 20 to 30 years from now (if this were to happen again) there is going to be an outcry from those same people who were granted status because it is an encroachment on their rights. I do not know if the Opposition is going to support this but, Madam Speaker, I am going to find out because we are going to have a division at that time.

**The Speaker:** Honourable Minister, would you continue your debate on the Bill before us and when we go to the vote we will find out whether the Opposition is supporting or not. Thank you.

**Hon. V. Arden McLean:** Thank you, Madam Speaker, we will find out then.

Madam Speaker—

*[Inaudible interjections; laughter]*

**Hon. V. Arden McLean:** Madam Speaker, I believe it is right, I believe it is timely—timely because what transpired some two years ago. I believe the country will welcome such provisos. We are fulfilling our mani-

festos. The country must understand that the Law as it was could have continued to work, but because of the behaviour of the Cabinet of 2003, we have seen the necessity to change it. It could still work. The five of us could continue to operate Cabinet in this country forever, but we want to ensure that it never happens again in this country. We want to ensure, Madam Speaker, that whoever takes the helm of this country their hands will be tied.

Madam Speaker, I look forward to the Opposition supporting us and showing the country that it was not only the [present] Leader of the Opposition in Cabinet at that time with that reckless behaviour. Support changing it in order that if they ever (God forbid) get back in Cabinet they will never be able to do it again. Show the country what they are made of. I appeal to them to support this Bill and show this country what they really mean. Show the country how the PPM leadership feels about the protection of Caymanians—even those who have been granted status. This is in protection of them also; this protects them, even though they are writing the letters in the paper left, right, and centre. It is their right but we have to protect them. Our country cannot sustain that kind of wholesale grant of status.

*[Inaudible interjections]*

**Hon. V. Arden McLean:** Madam Speaker, if there is—

**The Speaker:** Could we stop the cross-talk while the Honourable Member is giving his debate please? Thank you.

**Hon. V. Arden McLean:** Cultures evolve, Madam Speaker, but what the previous Government did was give us a culture shock! Cultures evolve! Now the country has to try to sustain what we have to deal with, and we have to protect it. So all those who are coming behind have to understand they are going to have to go through the process. From here on in, Cabinet will only be able to grant four per annum, providing it is recommended by the Caymanian Status and Permanent Residency Board.

However, as I said earlier, there is no longer a quota, so he who meets the criteria will be given residency and then status. That is the way it should be. That is the way it is in any other country. But the previous Cabinet could not wait. They wanted to make political capital on everybody else. They got fooled, though.

I want to ensure that the future of this country is secured and all those who have now been granted status need to come together and understand that we need to get this country moving forward. My appeal is to them as well—let us get the country moving forward. This amendment to the Immigration Law will prevent them and us (if we can say that) . . . but I mean those who were given status through that

wholesale grant. It will protect us from having an influx of people again. It will protect us!

It is protection for us. So, let us move forward now, get the country back on track; keep the country on track and we will all at some stage have this behind us. Not if the Leader of the Opposition has anything to do with it, but we are going see to it that he will fall in line too. We are going to put this behind us like we have always done in this country and embrace each other, because, Madam Speaker, there is not one family in this country that has not been touched by the foreigner coming here, whether we want to believe that or not.

I heard the Leader of Opposition out there earlier talking about the Jamaicans, and this one and that one. For his information I am married to one—and he knows that! So it is nothing about hate. She has been here 4 to 5 years and I just hope that she was not granted one. It is about bringing these people into the fold of the Caymanian (the indigenous as we used to call them). These people who are here now are now equal in rights with us. But it will be no more—not through Cabinet in a wholesale 2,000 or 3,000 of them coming in now to just disrupt the whole system again. It must be done through the proper process.

Madam Speaker, I thank you and I encourage the Opposition to support us through this Bill.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? If no other Member wishes to speak . . .

The Third Elected Member from the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker. I rise to support the Bill before the House. I do not intend to regurgitate or to reinvent the wheel on this one, but I would just like to offer my two cents of contribution to the debate.

This topic has been around since 2003 when the large number of status grants was done by the Cabinet of the day. Madam Speaker, as I said to the Leader of the Opposition during the break, it was a very good contribution, but I think he missed the entire point of the Bill before the House, because it is not for those deserving of status, although we do not want to see another large number of those being granted indiscriminately either. But what we want to prohibit and give the Immigration Department the ability to do is to ensure that anyone receiving status in this country going forward will do so through the proper provisions and meeting the criteria as set forth in the Law.

Madam Speaker, the Leader of the Opposition in his contribution alluded to us as Caymanians going overseas to many countries. That is quite correct. But what I would venture to say (and I am almost certain that I am correct) is that Cayman, being the small country that it is, did not flood any of those

shores. We went in small numbers to various places and worked hard for a living and sent that money back home to support our families and ourselves on our return. When those of us who did remain in those countries did obtain citizenship, as the Minister for Communication and Works said, we obtained it in the right manner. As far as we know, anyway, there was certainly no wholesale grant of any Caymanians abroad receiving citizenship or status, as may be the case. Someone coming to your country (I do not think), quite honestly expects to be bestowed status or citizenship in this way.

Those of us in the Cayman Islands who have obtained our status over the years, earned that status by contributing to the Cayman society and by contributing to the development of the Cayman Islands. And [the] act such as was done by the previous Administration only cheapens what those individuals felt that they earned and were so proud to do after being here for a number of years and contributing to Cayman. In fact, I know of individual cases where people who received the status grant in this way have alluded to being embarrassed and I think would have given it back if they could have, just to wait and get it the proper way.

Madam Speaker, you see, we did not have a clue as to who the folks that received this status (a lot of them) were until now. And they are right now here in this country. There are reports of people receiving status who had never been to the Cayman Islands, there were reports of people receiving status who had just recently come to these shores, and there were reports of people receiving status who had criminal convictions elsewhere. This is exactly the process that took place, and the Leader of the Opposition himself referred to the "lists" and the number of people contributing to these lists and who wanted their status for their own reasons. I agree with him that that is what took place. But that does not make the process right. Two wrongs have never made a right, in my opinion, and this is a case of many wrongs certainly not making a right.

Madam Speaker, Cayman is not for every one and cannot be all things to all people. We as a people have to ensure that when we select people to be one of us that we select the cream of the crop. Whether it is a gardener, domestic helper, a lawyer, an accountant, a construction worker, we should maintain the right to pick the right people to be part of our community. The day that we stop doing that we do it to our detriment and we do it to drag our society down to where many others have gone.

The Cayman Islands have been lucky and very prosperous over the years and it has been by good sense and good judgment by our forefathers. To commit an act such as this, certainly was not living up to that legacy. So, I join in condemning the previous Administration—yes I do!—for such a reckless act and in my opinion an *ultra vires* act because I do not

think the spirit of the Law was intended for any such process to take place.

The provision was there, and will remain there in our case (although now limited to four per year). The provision was there to be used in special circumstances. And, yes, we all admit that the granting of status for whatever reason by Immigration and by previous Administrations had been slow in getting off the ground. There were a lot of people, and there are still a lot of people . . . and that is what makes it worse. Because, if the process when it was done had covered all of those who had deserved it and you had a few that had slipped through who were not deserving, you would say at least they tried to deal with it. But there are still so many people that should have got status in this country over the years that are still waiting on their status and have still made application after application and have been refused for various reasons.

So, Madam Speaker, I certainly wish to lend my support to this Motion in the strongest possible terms because I know that it will give the Immigration Department and Immigration Board the teeth that they are looking for in order to carry out their duties in a proper manner, and to [prevent] any Administration, including ours, from abusing the privileges that are granted to it.

Madam Speaker, as we look around today in our society, we see a number of things happening. We see an increase in crime. Although I cannot definitely speak to crimes being committed by these individuals, Madam Speaker, we need to carefully assess where we are and look at who we have in our midst. When we commit acts such as this, and allow people whose backgrounds we do not even know, and we have simply accepted them on a name basis—there were no checks because there was no time for vetting—

**Hon. W. McKeever Bush:** On a point of order, Madam Speaker.

#### Point of Order

**The Speaker:** Let me hear your point of order.

**Hon. W. McKeever Bush:** If the Member is interested in what took place would he give me the opportunity to tell him?

Madam Speaker, each time a list ... and we said it before and you will find it in records of this House, because this was debated—

**The Speaker:** What is your point of order?

**Hon. W. McKeever Bush:** Madam Speaker, I have asked the Member and he said he will give me—

**The Speaker:** Okay, sorry. He is giving way for you.



**Hon. W. McKeever Bush:** Of course, or else I would not stand up. I would be too scared otherwise.

Madam Speaker, the Member has given way.

The Member asked about the list. Each time that list was brought . . . and there was a list, and this has been debated here before, it did go through Immigration.

*[inaudible comments]*

**Hon. W. McKeever Bush:** *[Addressing a Member interjecting]* Why don't you keep your mouth shut?

And that list of names came back, so there were Immigration checks. I would just like the Member to know that, and thank him for giving way.

**The Speaker:** The Third Elected Member from Bodden Town, continuing his debate.

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker.

Thank you Member from West Bay, Leader of the Opposition.

Be that as it may, the fact remains that the process was flawed and the Bill before the House seeks to ensure that this type of action will not be repeated by any Administration, for whatever reason.

Immigration Laws are the most important Laws that we have on an Island of this size because of our own success—the type of destination that people from all over this world wish to come and stay as long as they can. So, without proper checks and balances and controls, we will be flooded and all that we talk about Caymanian culture and heritage and everything else, will be for naught because we will be so overwhelmed—as we nearly are at this stage—that we will not know where to turn or what to do.

So, Madam Speaker, with that short contribution, I would like to say that I support the Bill before the House. Thank you.

**The Speaker:** All Members have received notification of the Annual General Meeting of the Cayman Islands Branch of the Commonwealth Parliamentary Association to be held at 4 o'clock this afternoon. So I think at this point I will call upon the Honourable Leader of Government Business to move the adjournment of this Honourable House.

The Honourable Leader of Government Business.

## ADJOURNMENT

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. I move the adjournment of this Honourable House until 10 am tomorrow morning, 21 July 2005.

**The Speaker:** The question is that this Honourable House do now adjourn until 10 am tomorrow morning

21 July. All those in favour say Aye. Those against, no.

**Ayes.**

**The Speaker:** The Ayes have it. This Honourable House now stands adjourned until 10 am tomorrow morning, 21 July.

**At 3.49 pm the House stood adjourned until Thursday, 21 July 2005, at 10 am.**



**OFFICIAL HANSARD REPORT**  
**THURSDAY**  
**21 JULY 2005**  
**10.22 AM**  
*Sixth Sitting*

**The Speaker** I call upon the Third Elected Member for West Bay to deliver the Prayer.

West Bay and the First Elected Member for the district of Cayman Brac and Little Cayman.

**PRAYERS**

**Mr. Cline A. Glidden, Jr:** Let us pray.

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

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

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

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

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

**Proceedings resumed at 10.24 am**

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

**Apologies**

**The Speaker:** I have received apologies for absence from the Fourth Elected Member for the district of

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

**The Speaker:** I have received notice for statements from the following Ministers and I will call upon them in this order: the Honourable Minister for Education, the Honourable Minister for Communications, Works and Infrastructure, the Honourable Minister for Tourism, Environment, Investment and Commerce and the Honourable Third Official Member responsible for Finance and Economics.

I now call on the Honourable Minister responsible for Education.

**Update on the Education Sector**

**Hon. Alden M McLaughlin, Jr:** Thank you, Madam Speaker.

Since assuming office on 18 May 2005 I have visited every Government school in the Cayman Islands except Bodden Town Primary. Events, including the approach of Hurricane Dennis, conspired to prevent me from visiting this school on two occasions. I intend to address this omission as soon as the new school year begins.

This comprehensive programme of visitations, which included extensive meetings with the principals and teachers at all schools, has given me a good grasp of the range and difficulty of the issues facing the Education Service in these Islands and hands-on knowledge of the challenges in relation to the physical plant.

One of the key objectives of this Government is to ensure that the physical plant is fully repaired and ready for accommodation when the new school year commences in September.

Madam Speaker, work is progressing on all schools although we have experienced a number of problems with shortage of materials as well as contractor issues. Over the past several weeks due to threat of hurricanes and rainy weather this has affected progress on work sites. Nevertheless, I expect that work will generally be completed on all schools for the start of the new school year.

Some areas of note are the need to acquire a modular canteen to replace the Isley Conolly Hall which we have decided to demolish due to severe

damage from Hurricane Ivan. The last Government budgeted \$1 million to repair and renovate the Hall, but given the extent of the damage, its unsuitability as a Hurricane Shelter (due to structural concerns), its inadequacy as a canteen or gym, and its location on the School site, the decision was taken not to proceed with repairing the building. It is expected that the modular canteen will be installed at John Gray High School in late August.

Additionally, the three modular classrooms needed for this school are also on order and will be installed at the same time.

The modular classrooms which now dot the landscape of most of our schools generally have not held up well in this climate. A range of remedial works are underway to ensure that they are ready for the start of the school year while Public Works Department continues to work with the company from whom they were purchased, GE Capital Modular Space, to achieve some remediation.

New furnishings and other resources are now stored in containers at schools and await the completion of the renovations works for installation.

Another matter is the George Town Primary School where damaged and abandoned classrooms had become home to squatters. We intend to have these old buildings demolished.

### **George Hicks High School**

Madam Speaker Members of this Honourable House should be aware of the critical situation which we now face with the start of the new school year at George Hicks High School.

Prior to Ivan, staff at the school, the Education Department and the Ministry were extremely concerned about the large number of students attending the George Hicks High School. This was especially true before the school day started, at break times and at the end of the day when there was mass movement of students. Also, if there was a serious incident of indiscipline, staff found it extremely difficult to control the situation due to the large numbers of students involved. The safety of students and staff was causing increasing concern.

Following the impact of Hurricane Ivan and the damage to the physical plant, George Hicks students have, for the majority of the past academic year, had to attend school on a shift system. This has meant that they have attended school either in the morning or in the afternoon each school day.

The benefits of this were that every student could attend school every day and receive a modified but broad curriculum.

It was also reported that with fewer students on the compound;

- the amount of learning undertaken by students improved considerably;
- relationships between staff and students, and students between themselves improved significantly;

- the number of major disciplinary disturbances reduced significantly.

However, students were only receiving 70 per cent of teaching time each day, with only two hundred minutes of instruction as opposed to the required two hundred and eighty minutes. Over the course of a week this amounted to a shortfall of lessons of some six hours.

Whilst all the buildings on the George Hicks campus will be fully repaired in time for the new school year, the student numbers have further increased and there is the prospect of up to 1,200 students at George Hicks for the upcoming school year. This number of students all on one site at any one time has caused me grave trepidation. Equally, I know, having met with the senior management of the school and parents of students at the school, that they too are deeply concerned.

What my review of the situation made clear to me was that the shift system could not continue as it had been configured post Ivan. Further what was also clear was that any arrangements made now would have to last at least two years or until the proposed new high schools are built.

Madam Speaker, in an attempt to provide a focus for dealing with this problem I provided the Education Department with some policy considerations which should govern the solutions which they developed. These were that:

- a) All students at GHHS must receive their full entitlement of education time in school.
- b) They must receive the full broad and balanced curriculum. This would allow music, bands, choir et cetera to again flourish along with other extra-curricular activities.
- c) All students and teachers must be afforded a safe and secure environment which would allow high quality teaching and learning to take place.
- d) We must provide a system of schooling where all the above can be achieved but that also reduces the numbers of students on site at any one time.

Madam Speaker, the GHHS site was originally designed for 750 students, and because there have been additional buildings constructed to accommodate the ever increasing student population the site has now become a large sprawling campus, difficult to manage and ensure safety and security for all. This difficulty increases as the numbers continue to spiral upwards.

At a recent meeting with parents of George Hicks students at which the Leader of Government Business, the Honourable Kurt Tibbetts, the Permanent Secretary for Education along with the acting principals and other senior staff, a plan developed by the Ministry, the Department of Education and the senior management at George Hicks was laid out. I am delighted to say that it met with the approval of the parents in attendance. The plan involved the following:

In order to satisfy the policy conditions laid out, the school will need to operate on three sites. This will involve the physical partitioning of the George Hicks site by fencing off the oldest section of the school (which we are calling phase 1) from the main campus and the proposed use of the Family Life Centre across the road as the third site. The main campus will handle 600 children at a time with phase 1 handling 300 children at any sitting and the remaining 300 being split between the Family Life Centre and physical education classes.

On the main campus students will get all core subjects as well as Information Technology, technical, home economics and music while phase 1 will provide the creative arts such as Art and Drama, life skills and a new subject, study skills classes.

Additionally, in phase one will be housed 3 special units—one for each year group to provide more individualised attention for students who need this type of intervention.

The third site is expected to be the Family Life Centre in which 300 students will be housed where they will get extra English, math's science and social studies along with physical education.

All students, Madam Speaker, will rotate from phase 1 (or the Family Life Centre) into the main campus each day while those who started out on the main campus would move to either phase 1 or the Family Life Centre.

Students will come to school on the basis of which house they belong to with two houses attending in each session and arriving at school at two different times. The first students will start school at approximately 8.00 a.m. leaving at approximately 2.00 p.m. The second set of students will start at approximately 10.00 a.m. leaving at approximately 4.00 p.m.

To ensure equality, the school houses will "swap" at the February half-term to the other session. Parents will therefore be given six months notice of this.

To achieve the timetabling and other arrangements which have had to be effected has required a tremendous effort of senior staff at the school as well as the canteen and bus providers. I want to recognise the extremely hard work put in by the Acting Principals of George Hicks as well as other staff of the school and the Education Department and the Ministry for which I have responsibility and to thank them for their dedication to this important cause.

Madam Speaker this arrangement proposed will produce a number of benefits:

- All students will spend the required time in school, being taught the full curriculum.
- It will provide a safer environment with fewer students moving around the school site and at the start and end of their respective school days.
- Relationships within the school are more likely to continue to improve.

- Students will not be out of school, many unsupervised, for major parts of the morning or afternoon as was the case under the shift system post Ivan.

Some of the previously run extra curricular activities such as choir and band can restart and be built into the school day. An additional benefit of this system is that students will have an increase in the percentage of science lessons taught in laboratories.

In academic year 2003-2004 because of numbers and space considerations only 50 per cent of science lessons were taught in the science labs. This situation will be much improved under this plan.

Madam Speaker, there are some site works which will be necessary as a result of this solution, all of which are well in hand in preparation for the new school year.

The timetable for the new school year has required five additional teachers and this is being dealt with as well as possibly additional security and admin personnel.

#### **Attendance at the Mid Term Review of Caribbean, Canada region of Commonwealth Education Ministers in Nassau Bahamas, Wednesday 27<sup>th</sup> –30<sup>th</sup> July**

Madam Speaker I will be in attendance at this conference along with staff from my Ministry. This meeting provides an opportunity for Canada and Caribbean countries to learn of the work of the Education Section of the Commonwealth Secretariat and to be able to exchange information on the various countries' action strategies, policies and practices. We will take a country report to this meeting as a part of our attendance.

#### **Legislative agenda within the Ministry**

Madam Speaker I have now been able to review the legislative requirements of my Ministry and of particular note is the Education Law and the Employment Relations Law. Other pieces of legislation which need attention are the National Pensions Law and the very antiquated Public Library Law, The Institute of Caymanian Heritage Law and the Museum Law. In due course those matters will be addressed and brought to this Honourable House for attention.

Madam Speaker since assuming office I have spent a significant amount of time visiting schools, talking to principals and teachers on all three islands generally ensuring that I was fully briefed on the issues and concerns of the education sector directly from the providers of the education service. There is no question Madam Speaker when I say there is much work to be done. My focus on Education in these past two months was necessary given the urgency to ensure that all that needed to be done was put in place for the new school year ahead.

There is still much to be done on this front, but the school break has provided me with an opportunity to now turn my attention to the other subjects in the

Ministry and I look forward to reporting to this Honourable House on these areas in due course.

Thank you, Madam Speaker.

**The Speaker:** I now call on the Honourable Minister for Communication, Works and Infrastructure.

**The Recovery of Uninsured Losses Incurred by Caribbean Utilities Company (CUC) Ltd as a Result of Hurricane Ivan**

**Hon. V. Arden McLean:** Thank you, Madam Speaker and Honourable Members of the Legislative Assembly, today I wish to update this Honourable House and the country on the conclusion of discussions between Caribbean Utilities Limited (CUC) and the Government on the recovery of some of the uninsured losses incurred by CUC as a result of Hurricane Ivan.

Due to the substantial damage sustained as a result of Hurricane Ivan and the unprecedented costs incurred by CUC to restore power as quickly as possible to Grand Cayman, the final return as submitted to Government today indicates that CUC would be permitted a rate increase of 9.5 per cent on basic billing rates.

Madam Speaker, on 25 May 2005, when the Interim Returns were submitted both CUC and the Government agreed that such an increase would not be in the best interest of the country in the aftermath of Hurricane Ivan. People are still trying to recover from the extraordinary costs that must be borne as a result of damage caused to personal property.

Accordingly, it was from this fundamental understanding of the plight of the people of the country that discussions commenced on 25 May 2005 between the then Minister of Planning, Communication, District Administration and Information Technology (the Honourable Kurt Tibbetts); the Honourable Financial Secretary (Kenneth Jefferson); the Managing Director of the Electricity Regulatory Authority (ERA) (Mr. Phillip Thomas) and me, as the Minister taking responsibility of Communications, Works and Infrastructure on 1 July 2005, and CUC's Mr. David Ritch, Chairman; Mr. Peter Thomson, President and Chief Executive Officer; Mr. Richard Hew, Executive Vice President and Chief Operating Officer; and Mr. Eddinton Powell, Vice President of Finance and Corporate Services and Chief Financial Officer.

After a series of meetings we reached agreement on 19 July 2005. As such, a joint media release will be issued later this afternoon.

Madam Speaker, the total property losses sustained by CUC as a result of Hurricane Ivan approximated CI\$19.8 million. Business Interruption losses are estimated at CI\$14 million over the 24-month indemnity period. After claims to its insurers, CUC has uninsured losses of CI\$11.85 million as follows:

- Transmission and Distribution Property, Plant & Equipment \$5.91 million
- Other Property, Plant & Equipment \$1.64 million
- Revenue Losses during insurance deductible period \$4.30 million

For a total of CI\$11.85 million.

After discussions with Government, CUC agreed to absorb a further \$500,000 of these losses, leaving \$11,353,684. In total, CUC has agreed to absorb some \$3,044,000 of additional costs associated with Hurricane Ivan, which will not be passed on to consumers.

Madam Speaker, this is as much as any Company, big or small, public or privately owned could have absorbed in the circumstances. It is only fair that those who have benefited and will continue to benefit from the enhanced services of CUC be asked to share in the recovery effort. Since CUC is a utility service whose rates and tariffs are regulated by the Government it falls upon the state to assist in arriving at a fair and reasonable settlement in the interest of all concerned. This is normal business practice in every corner of the globe.

Against this backdrop it was agreed to introduce a Cost Recovery Surcharge (CRS) which will be a separate charge on customers' bills. This surcharge will commence with CUC's August 2005 billings and will have the following effect on basic billing rates:

Residential customers will see a separate charge on their bills of 0.749 cents per kilowatt-hour (kWh) for each kWh of electricity consumed, which means that a residential customer consuming 1,000 kWh per month will be charged a total CRS of CI\$7.49 per month.

Small commercial consumers using 4,000 kWh per month will see a CRS of \$29.97 per month, and large commercial consumers using 130,000 kWh per month will be charged a CRS of \$973.87 per month.

This equates to an increase in basic billing rates of 4.68 per cent, which is less than half of the 9.5 per cent permitted under the present license that they were asking for. I will read that again, Madam Speaker. This equates to an increase in basic billing rates of 4.68 per cent, which is less than half of the 9.5 per cent permitted under the present license.

The CRS is expected to appear on CUC's customer bills for approximately three years, but this period may be shorter if growth in demand for electricity exceeds present projections, and, as a result of which, the \$11,353,684 in CRS charges are recovered more quickly. The removal of the surcharge at that time would result in a decrease in average rates of 4.7 per cent. It does not mean that the rates will change, what was put on will just be removed.

As we speak, the State of Florida is adopting the identical approach as we have had to employ here.

During the three-year period of CRS charges, CUC has agreed with Government that there will be a freeze on basic billing rates until 31 July 2008. There will be no retroactive increase in basic billing rates after the full recovery of the CRS. Meaning that CUC will not be able to go back and increase the rates.

Prior to Hurricane Ivan, CUC had an installed generating capacity of some 123 megawatts (MW) of power with a peak demand load of 85 MW. Immediately after the storm, generating capacity was less than 40 MW, and CUC has been working diligently to recover damaged generating capacity, as well as to order additional generating capacity to ensure that it can meet demand in the summer of 2005 and 2006.

Discussions are anticipated to resume within a couple of months regarding any new license or licences that may be granted to CUC. The establishment of a disaster recovery fund or alternate catastrophic insurance to mitigate the financial impact of any future natural disasters will be discussed with CUC at that time.

The present license expires in January 2011. In June 2004, a draft Heads of Agreement was agreed between Government and CUC, outlining the terms of any new license or licences that may be issued to CUC. This Heads of Agreement was extended to September 2004 but lapsed as a result of Hurricane Ivan. This draft Heads of Agreement is anticipated to form the basis of discussions when they resume shortly. It makes no sense to reinvent the wheel when the previous Government had these Heads of Agreement in place.

The Government and I are satisfied that the results of the discussions as I have outlined them are fair and reasonable and we are grateful to CUC for its understanding and the professional manner in which these talks were conducted. I am also thankful to the Leader of Government Business under whose leadership these talks commenced and the Managing director of the ERA who participated in all discussions.

Madam Speaker, I would like to pay tribute to the President and CEO of CUC Mr. Peter Thompson who is retiring from that post in August and to wish him well on his retirement. I would also like to congratulate Mr. Richard Hew who will be assuming that position and Mr. Eddinton Powell who will ably assist him as the senior Financial Officer. Madam Speaker, I believe that this is the first time that CUC will be run by a full complement of indigenous Caymanians, with the Chairman being Mr. David Ritch. I look forward to working with these gentlemen because I know we all share one common goal—the betterment of the Cayman Islands. I therefore have every confidence that future negotiations will be conducted from a win/win approach.

Madam Speaker, immediately following the submission of the interim returns there were statements by members of this Honourable House in the press relating to whether or not the Government had

made CUC promises or guarantees to obtain their 9.5 per cent rate increase. I refrained from replying at that time but I do trust that the results of these discussions will now put such vicious innuendoes to rest and all those who tried to tarnish my good name will in the future refrain from measuring me or the PPM administration by the standards of others.

Madam Speaker, I thank you for allowing me to make this statement to this Honourable House on such a short notice. I would like to also thank my colleagues in the Legislative Assembly for their support and advice on this most important matter. Thank you, Madam Speaker.

**The Speaker:** I now call on the Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Statement Re: *Caymanian Compass* Article Entitled “Port Audit Old News” (20 July 2005)**

**Hon. Charles E. Clifford:** Thank you, Madam Speaker. I refer to the headline story in yesterday’s *Caymanian Compass* by Mr. Alan Markoff, a former employee of the *Cayman Net News*, which was entitled “Port Audit Old News.”

Madam Speaker, this is not a matter that I intended to speak on in this Honourable House but the article is misleading and I must set the record straight.

Madam Speaker, the article makes reference to a statement which I made in response to a question from a *Caymanian Compass* reporter at our weekly press briefing recently on the subject of irregularities which occurred at the Port Authority during the United Democratic Party (UDP) administration.

The headline and contents of the article infer that I made a misleading statement as this audit commenced more than one year ago. The fact of the matter is that on 5 July 2005—a mere sixteen days ago—I wrote to His Excellency the Governor on this matter (and on a matter which was not connected to the Port Authority) and requested that the Auditor General’s office review these matters urgently.

I knew that some but not all of the irregularities which I reported to the Governor had previously been reported to the Auditor General—but certainly not by the former Chairman (and now Leader of the Opposition), and I advised His Excellency the Governor of this in writing.

There were several reasons for reporting these matters to His Excellency the Governor: First of all it is important that we document these issues so that this PPM Administration and the staff of the Port Authority are not tarnished by the actions of others. Secondly the Government and Ministers in particular must be accountable for their actions and this PPM Administration is no exception. Thirdly we must have open and transparent Government to prevent a recurrence of these issues in the future.

If the article accurately reflects what was said by the Auditor General's staff then that is cause for additional concern because they suggest in the article that what they are doing is a routine standard audit which we know is commonly done randomly on all Government agencies. They further suggest that the works involving the dredging of the Port Authority's property, which is adjacent to the Ritz Carlton development, is not included in their audit.

Madam Speaker, the report (which I sent to His Excellency the Governor sixteen days ago on 5 July 2005) included issues with this same project so for the Auditor General's office to say that it is not included suggests that his office is either seriously deficient of resources or skills to properly deal with such matters. I certainly hope that the latter is not the case and if the former is the problem then the Auditor General's office must require those resources or the Governor will have to look to alternatives in the future.

The Auditor General's office is and must remain independent, and we must respect that. So I will not go any further on this matter other than to say that his office ought to exercise caution about what they say publicly because it could ultimately prejudice their investigations.

Suffice it to say that I have reported the irregularities to His Excellency the Governor and I consider that my job stops there. It is not my responsibility to investigate these matters and we will watch with interest to see what comes of it.

I fear, Madam Speaker, that the perception is developing that we have double standards and that there is a reluctance to review the conduct of a sitting Member of this Honourable House.

Madam Speaker, there is one thing I can assure this Honourable House of, and that is that this PPM Administration will not allow these matters to be swept under the carpet. Accountability is the order of the day and Government must be accountable. We must ensure that no one is perceived to be above the law. To do otherwise will set us on a course of self destruction.

In concluding I must say that it appears to me that rivalry exists between the two main local newspapers, and perhaps between particular journalists from the two sides. But this must not be allowed to continue at the expense of good journalism.

Madam Speaker, I consider that I have an excellent relationship with the media, I meet with them every week and I will continue to do so. I was, therefore, surprised that the *Caymanian Compass* would print the story that it did without first coming back to me to advise of the comments from the Auditor General's office and requesting my response.

Everyone knows of my commitment to a free press, and that is will not change. But as a country we must ensure that the press is not only free but that it is responsible too.

I thank you, Madam Speaker.

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

**Hon. W. McKeeva Bush:** Madam Speaker, I rise under Standing Order 31. I would prefer to have a time, if I may, before the House adjourns. If you do not allow that then I would attempt to do so at this time, if you so allow. Standing Order 31 [states] "**With the leave of the Presiding Officer, a Member may make a personal explanation although there is no question before the House; but no controversial matter may be included in the explanation nor may debate arise thereon.**"

Madam Speaker, if you check Erskine May there is room for a personal explanation since the Minister has chosen to make the kind of statement he has made this morning.

**The Speaker:** Honourable Member, Standing Order 32 allows me to allow any Member to ask questions for clarification. I will accept a personal explanation when the motion for the adjournment is proposed.

I now call on the Honourable Third Official Member responsible for Finance and Economics.

#### **Timing of the Presentation of the 2005/2006 Budget to the Legislative Assembly**

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker. This statement pertains to the timing of the presentation of the 2005/2006 Budget to the Legislative Assembly.

The Government is currently in its 2005/2006 financial year—which encompasses the 12-month period from 1<sup>st</sup> July 2005 to 30<sup>th</sup> June 2006. Normally before the start of a financial year, Government obtains passage of an Appropriation Law in the Legislative Assembly in order to legitimately expend monies during that financial year.

I have previously explained why it was not possible for an Appropriation Bill to have been passed before the start of the current 2005/2006 financial year. One of the main reasons why this was not possible arises from the simple fact that the process for the formulation of an Appropriation Bill for the 2005/2006 financial year, in normal circumstances, would have started in October 2004. We all know Madam Speaker that the passage of Hurricane Ivan in September 2004 meant that no one could have reasonably expected that this process start in October 2004 when there was so much work in the form of recovery efforts that pre-occupied Government at the time.

Another factor explaining the delay in the start of the budget process for the 2005/2006 financial year arose from the fact that there was a General Election in May 2005, and the resulting new Government needed time to settle-in to office and to determine its priorities for the current financial year that commenced on 1<sup>st</sup> July 2005.



Knowing that the passage of an Appropriation Bill into Law for the 2005/2006 financial year was not possible prior to 1<sup>st</sup> July 2005, approval for Government Motion No. 1/05 was sought from the Legislative Assembly to allow Government the ability to incur four months of expenditure during the current financial year whilst the Appropriation Bill for the 2005/2006 financial year was being formulated.

Approval for Government Motion No. 1/05 was granted by the Legislative Assembly on 29<sup>th</sup> June 2005.

In accordance with section 12(1) of the Public Management and Finance Law, the validity of that Motion will expire four (4) months after the date of the Motion: the expiry date is therefore 29<sup>th</sup> October 2005. Government must, and will, have a duly approved Appropriation Law for the 2005/2006 financial year before 29<sup>th</sup> October 2005.

Madam Speaker, in the process of obtaining approval for the 2005/2006 Appropriation Bill there are three (3) main dates that I wish to bring to Honourable Members' attention: First, it is intended that the Strategic Policy Statement for the 2005/2006 financial year will be presented to the Legislative Assembly on 5<sup>th</sup> August 2005.

Secondly, I will present, on behalf of Government, the Appropriation Bill for the 2005/2006 financial year along with its accompanying Budget Address on 7<sup>th</sup> October 2005. The ensuing debate on the Appropriation Bill will occur and there will be an examination of the appropriation requests by Finance Committee. Completion of the debate in the Legislative Assembly and examination by Finance Committee will have to occur in sufficient time to allow the passage of the Appropriation Bill for the 2005/2006 financial year before 29<sup>th</sup> October 2005 (the third date that I wish to mention).

Madam Speaker, this will undoubtedly mean that the cooperation and assistance of all Honourable Members of the House will have to be sought so as to allow the Appropriation Bill to be passed into Law before 29<sup>th</sup> October 2005.

I am therefore alerting Honourable Members that the Legislative Assembly and Finance Committee will be asked to undertake work beyond the traditional 10 am to 4.30 pm hours. I would also respectfully ask all Honourable Members for their cooperation and assistance in this process.

Thank you Madam Speaker.

## GOVERNMENT BUSINESS

### BILLS

#### SECOND READINGS

##### The Immigration (Amendment) Bill, 2005

*(Continuation of debate thereon)*

**The Speaker:** The debate on the Second Reading of the Immigration Bill continues.

Does any other Member wish to speak?

The Honourable Minister responsible for Tourism.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker. I rise to support the Bill before this Honourable House.

Madam Speaker, of all the issues associated with the UDP Administration, I believe that the wholesale grant of Caymanian status is certainly the one issue that will characterise the UDP Administration for the foreseeable future. When we examine the situation and the way in which the UDP Administration went about this matter it is clear to one and all that the approach was certainly an ad hoc approach at best.

When the issue first arose, the public will recall that the then Leader of Government Business (and now Leader of the Opposition) had indicated that it was a program associated with the Quincintennial Celebrations and that there would be a total of 500 grants of Caymanian status.

There were and there still are many people in this country who are deserving of being granted the right to be Caymanian under the new law. So that is not the issue under debate. The issue is the manner in which it was done.

Perhaps I have somewhat an advantage over other Members who have debated thus far in that during the time of the Caymanian status fiasco I was a Senior Administrative Officer in the Cayman Islands Government. I do not intend to go into any of the details of the issues that I experienced, but, suffice it to say, having lived through that and understanding the ad hoc nature of the situation the reckless disregard of the implications of what Cabinet was doing, Madam Speaker . . . I can tell you that the country should never seek to go down that road again.

Madam Speaker, the Government, in embarking on the wholesale granting of Caymanian Status, clearly did not consider the economic, the infrastructural and the social implications of what they were doing. If they had, then, clearly, they should not have embarked on that journey. To entertain the thought that they did in fact understand the implications is indeed very scary because, for a government to go down that road fully aware and cognisant of the issues, then we have even greater cause for concern.

Madam Speaker, you and other Members of this House will remember how embarrassed this country was during this period of time when we had defendants appearing before the Summary Court charged with overstaying only to produce their Caymanian status letter to the Magistrate. This must not be allowed to ever happen again in this country. If we

do the comparisons and if we run the percentages and compare it to the population of the United States of America, what was done in this country by the former Cabinet of the UDP Administration would be the equivalent of somewhere in the region of 15 million to 20 million people being admitted as US Citizens into that country all at once.

Any right-thinking person would understand that it does not matter the amount of resources a country has, it cannot plan or develop its infrastructure to cope with those situations—it is just not possible. So those politicians who participated in such a reckless actions in the past ought to be rejected by the public in the future.

What this Government is proposing in Clause 3 of the amendment bill will, certainly during this Administration, prevent that from occurring. As Members have said, in the future the recommendations must come from the Caymanian Status and Permanent Residence Board. And if they are approved by Cabinet there is one further step, they must then come to the Legislative Assembly where they would have to be ratified on the floor of this Honourable House. It makes the process much more transparent and open. I am certain that if the previous Administration (the UDP Administration) had this Law in place they would certainly not have attempted what they did behind closed doors.

There was no control over the numbers; in fact, I can tell you that the 1,500 hundred grants were done without the Cabinet, or anyone else for that matter, checking the documentation of these individuals. So there was no vetting of the persons who received the grants at that time. It was only after the public outcry about the situation that the Cabinet then decided that they needed Police records in order to proceed with further grants. Madam Speaker, you and other Members of this House will remember that at that point there was a rush on the Police Station to obtain Police Records for those individuals who were seeking the grant of Caymanian status.

I am not going into detail about some of the things I experienced during that time, but will just give the country and this Honourable House a flavour for the implications even at that time for the workings of Central Government. Madam Speaker, with your permission I would like to read into the record a short email which I had to send to my staff in 2003 in relation to this matter.

**The Speaker:** Honourable Minister would this be a confidential document?

**Hon. Charles E. Clifford:** It is not a confidential document, but a document that relates to the effect it had on the workings of the Ministry at the time but if you are concerned about it I do not have to deal with the situation.

**The Speaker:** If it is not a confidential document, you will lay a copy on the Table of the House.

**Hon. Charles E. Clifford:** I can certainly do that, Madam Speaker.

**The Speaker:** Go ahead.

**Hon. Charles E. Clifford:** Madam Speaker, the email is addressed to all of the Ministry staff and dated 11 September 2003. It was copied to the Acting Chief Secretary at the time (and the current Acting Chief Secretary). It reads:

**“Good morning all,**

**“We have over the past couple of months been assisting the Chief Secretary’s Office with processing letters to those individuals who were granted Caymanian Status by the Cabinet. As a result, the Ministry has become the focal point for persons who are seeking Caymanian Status.**

**“Further to the informal discussions that I had with some of you yesterday concerning this matter, this is to advise that I had a meeting with the Honourable Leader of Government Business and the Honourable Acting Chief Secretary yesterday. At that meeting I advised the Honourable Leader of Government Business that the core responsibilities of the Ministry were being neglected as a result of the focus on the grants of Caymanian status and that this had to be addressed immediately. Accordingly, I have decided that effective immediately the Ministry will no longer entertain calls or visits from individuals who are seeking advice, or to deliver documents with respect to the grant of Caymanian Status. It is expected that the Honourable Acting Chief Secretary will issue a press release on the matter to day.**

**“I understand that again today a large number of people are accumulating at the Government Administration Building. Those individuals must be advised by the receptionist that they should leave whatever documents they wish to deliver with her and indicate which Ministry or Portfolio they would like them forwarded to.**

**“You will be aware that this subject is the constitutional responsibility of the Chief Secretary and that the subject has been delegated to the Immigration Board by virtue of legislation. It follows that if there are any further calls or visits to the Ministry in connection with this matter they must be re-directed to the Immigration Office.**

**“I am copying this to the Acting Chief Secretary for his information and with the request that he immediately advise the front desk and receptionist at the Government Administration Building of this Ministry’s position on the matter.”**

It was signed by me, Madam Speaker.

I read that into the record just to give an indication of the effect that this issue had even on the

workings of central government at the time and I will lay a copy on the Table of this Honourable House.

I would like to reiterate that the sentiments expressed from the Government . . . I hope that they are not interpreted as anti-foreigner because that is not the case. I know that my colleagues on this side of the House will certainly underscore that point when they speak on the matter earlier.

We have embraced foreign nationals in this country from time immemorial, and we will continue to do so in the future. We understand that all countries are built by immigrants and on the basis of immigration. I am sure that if all of us trace our ancestors we will find that they came from somewhere else at some point in time.

**The Speaker:** Honourable Minister is this a convenient point to take the morning break?

**Hon. Charles E. Clifford:** Madam Speaker, I will finish in about five minutes, but I am happy to take the break now if you wish.

**The Speaker:** Continue if you have five minutes.

**Hon. Charles E. Clifford:** As far as immigration and immigrants are concerned, all countries we know must certainly take care in developing their immigration policies to ensure that whatever they do is sustainable. So that is the only point here.

We heard the Minister of Education make reference to the implications this matter has had on the education system. And we warned about these issues from very early, those were the concerns that we had—it was not an issue of being anti foreigner.

It is also important to note that the Government at that time (the UDP Administration) had the ability to deal with this matter through legislation, but they had abandoned the legislative reforms. And when they went down this road —this reckless road of the wholesale granting of Caymanian status—following the public outcry they then revisited the Immigration Review and brought the draft legislation to the House shortly afterwards for debate.

Madam Speaker, what bothers me perhaps more than anything else about this matter is that I listened to the Leader of the Opposition yesterday debating this Bill, and I heard him say that he was supporting the Bill. But I also heard him say (or words to the effect) that he believe that time is going to prove that his decisions were correct. Those two extremes are contradictory. It suggests to me that if in the Leader of the Opposition's heart he believes that his actions were in fact correct. Then why is he supporting the Bill?

Let me warn the country of this: there is something called the Doctrine of Parliamentary Supremacy (which you will be very familiar with, Madam Speaker). And the basis of that doctrine is that what

Parliament can do, Parliament can certainly undo. I warn and bring this to the attention of the country because, clearly, listening to the Leader of the Opposition yesterday not apologising for the indiscretions of his Government but indicating that what they did was right, suggests to me that if he is ever in power in this country again he will simply repeal the Law that is now under debate.

Madam Speaker, this Government has decided that what was done by the past administration on this issue has been done—we do not intend to reverse those decisions. We will embrace those individuals who are now Caymanian by virtue of those grants. But, going forward, this Government is going to be much more responsible in that regard. It is going to take many years, perhaps 15 to 20 years, before we are going to be able to truly bring our infrastructure in line to where it should be to cope with the implications of the past administration.

Madam Speaker, I thank you very much for this time and I support the Bill before the House.

**The Speaker:** Proceedings will be suspended for fifteen minutes.

**Proceedings suspended at 11.28 am**

**Proceedings resumed at 11.57 pm**

**The Speaker:** Please be seated. Honourable Members a request has been made of the Speaker if we would take the luncheon break at this time for some important meetings that have to be carried out.

So we will suspend proceedings until 1.30 pm.

**Proceedings suspended at 11.57 am**

**Proceedings resumed at 1.38 pm**

**The Speaker:** Please be seated. Proceedings are resumed. Does any other Member wish to speak? The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker.

My colleagues on this side have already articulated the Government's position on this Bill and I will just add a few more salient point to the arguments that have been put forward thus far before the Honourable Temporary First Official Member winds up the debate.

I begin by making sure that we have a full appreciation for the new Immigration Law, meaning the Immigration Law 2003, and exactly what this Law outlines as the process with regard to the granting of Caymanian status and other residency rights.

Madam Speaker, the provisions relating to Caymanians, one of which is to be repealed by this amending Bill, outline the process by which an indi-

vidual can acquire Caymanian status and the terms and conditions that need to prevail for this to happen. In section 22(3) we speak to a “BOTC” – **“Any person who is a British Overseas Territories Citizen by reason of a certificate of naturalisation or registration under the British Nationality Act, 1981 and anyone who is a holder of such certificate, by virtue of his connection with the Islands, or any Act preceding, amending or replacing that Act, may, if he has been legally and ordinarily resident in the Islands for at least fifteen years or at least five years after the receipt of that grant, apply for the grant of the right to be Caymanian.”**

We have other sections regarding spouses. We have the section which speaks to the automatic right in section 20(d) a person who can obtain it by automatic acquisition (that is the child of a Caymanian once proof is provided). Madam Speaker, it goes on to speak to spouses of persons with Caymanian status and the certificates that can be had with regard to their right to work.

They have where someone who is ordinarily resident for a continuous period of eight years has the ability to apply for permanent residence. On acquisition of permanent residency they have the ability to work with any individual or entity within the same industry that they had a work permit approved for. So there are various categories and I will not quote them all. But, suffice it to say, this law allows for a natural progression for any resident of this country as their tenure (meaning their stay) increases by time to be able to, first of all apply, and acquire permanent residence and, as a stepping stone over a fixed period of time, have the ability to move on to become a Caymanian by way of having status conferred on them via the Board.

The entire scenario in this Law is not haphazardly created; it was based on the recommendations of the Immigration Review Team after looking very carefully at what the Cayman Islands had within its borders as a resident population and how to move forward the process of integration.

I always like to refer to it as an orderly progression of the integrated society that we have become. The Law that exists now absolutely allows individuals that right as their stay extends beyond a certain period of time. When we found ourselves in the almost untenable circumstance in 2001 whereby there were so many people who had lengthy periods of residence working on the Island, making their families and their home in the Cayman Islands, the whole thrust of the Review (via the Immigration Review Team) was to find the best way to be able to integrate these individuals into the society in an orderly fashion without upsetting the balance that needed to remain.

It was not a case at any time that the problem at hand was not recognised. Where we part company with the status grants en mass is . . . I still maintain that the biggest difficulty that people had in this country who were not Caymanians but who were long-term

residents was that they saw no light at the end of the tunnel. At first there was a quota; then there was no quota. Then there was the fact that status was only being granted via family relations or marriage or to descendents of Caymanians. What was happening was we were getting an increasing number of citizens (I have to call them citizens) who had been here for many, many years (some professional and some not but contributing to the society and becoming the part of the society) yet not enjoying any of the rights of citizens.

So we come to the point as to how we manage this exercise accepting that it cannot be left how it is. That was what we were faced with. I pause for a second because I remember vividly on many occasions being accused of promising people during campaigns that we were going to do something about it then doing nothing about it. That was not the truth. The district that I represent, the largest district—the district of George Town—has the most of those kinds of people. I recognised a long time ago that when you are elected you represent everybody. I knew most of those people and their circumstances and I understood full well the balance that had to be retained, but at the same time we had to move forward.

So, up came the Immigration Review Team to go thorough a meaningful exercise to make recommendations as to the way forward.

Madam Speaker, in all that I am saying, I say this: This Law, which was passed on 16 December 2003 (which is the law we work with now) and came into effect on 1 January 2004, could have gone through the same process it did at that time at least a year and a half, if not two years, prior to when it was done. The excuse that was made at the time was the old Law could not work therefore this is what had to be done—that is, the large amount of status grants, which certainly was an inadvisable act.

So, if this Law, by which we operate now and which was unanimously passed in this Legislative Assembly on 16 December 2003 after going through a series of minor amendments coming from the then Opposition—which is the now Government—and being accepted by people with good common sense. If that Law was in place, I contend that there would have been absolutely no reason for those huge numbers of grants.

I push the point further to say, and I can afford to say today and someone can refute but cannot prove different, that it is very likely that this was held up purposely. Because if this Law was in place they would not have any excuse to act in that fashion. Thank God we have the Law now.

Because this Law did not exist, the section of the Law that we are dealing with now (which is going to be repealed) which is section **“20(1) a person shall, for purposes of this Law be deemed to possess the right to be Cayman if-**

**“(e) the Governor, in his opinion finding special reason for so doing, grants such right to**

him.” In this instance the Governor meaning the Governor in Cabinet.

Thank God, when we got this new law it had been realised by then that where it reads now, **“And he shall continue to possess and enjoy the right to be Caymanian unless and until he loses it under section 26”** which brings those individuals not in a situation of what obtained prior to this Law . . . What obtained prior to this Law—and the then Government did not even realise it until it was pointed out to them by the Opposition, at which time they refuted it until legal advice showed them differently—was that when those large numbers of status grants were made, they created two tiers, two different kinds of individuals who were Caymanians having been granted Caymanian status.

Section 20(e) of the old law was irrevocable once the deed was done, and when all of this happened we had thousands of individuals in this country who have made their home and who know full well that even in the old law that there were certain sections that if you did certain things which were untoward the Caymanian society your status could and would be taken away, just like in any other country in the world.

Being so ill-thought out is the point I am making, where you end up with some 3,000 individuals (I am rounding the figure off) in one fell swoop in a mix of people—some of whom have been living here for 40 and 50 years—who enjoy a lesser type of citizenship than this new group, some of whom have never been here or have been here for only 18 months. That alone tells you that it could not be right. Forget all the other arguments, although there are many more arguments! That in itself, if it were thought out would have guaranteed that somebody would have backed up and said we cannot do it like this.

I go on with the argument.

The subject of immigration speaks to the control of borders. It was not just because of whim and fancy why we have an Immigration Board, why we have an Immigration Department and why we have an Immigration Law. The fact that you are with the right to bestow citizenship on an individual [makes it] incumbent on the relevant department responsible (which in this case is the Immigration Department) to ensure that due diligence and proper checks are made so that when a board is going to decide on whether or not to grant citizenship to an individual it has all of the relevant information about the person which gives you an informed position to make the decision as to that person’s history via a police record, a medical, the person’s visits and stays in the Cayman Islands and all relevant information which helps a board to make that decision.

For that reason the laws were crafted in that fashion. So when this section is suddenly found and the spirit of that is not what was exercised in this instance, and it was looked upon to make these huge

number of grants through that section of the old law, I want to say today that the other huge error which shows that it was ill-thought out, although the Leader of the Opposition tried, on a point of elucidation, to explain yesterday about these checks that were done . . . I want to tell him what was done and what was not done; and I want that in the record with your permission.

Because of the way in which this thing was done and the mad rush to do it—the frenzy! That is what it was, a frenzy, with people riding on bicycles collecting names. I saw them with my own eyes, that is what it came to. I talked to them too, so I am not guessing. That frenzy totally took away the ability of the Immigration Department, which is the Department responsible for border control, to have any checks on these individuals. A huge number of these people were granted Caymanian Status just by a name on a piece of paper—no application, no medical, no police record . . . you may have had some, sure. But a huge number of them were done without that and I know that to be a fact—I am not guessing.

Madam Speaker, the Leader of the Opposition on a point of elucidation yesterday, made it very clear to this Legislative Assembly that these people were checked. So he said. And his statement was a sweeping statement which would intimate that everyone was checked. Let me state factually this afternoon the Immigration Department (this is a memorandum from the department) was not involved in the initial grants of Caymanian Status that occurred in June 2003. Staff of the Caymanian Status and Permanent Residency Board did perform some checks on subsequent lists including some of the 1400 names that were submitted in September 2003. Only intermittent checks were done on subsequent lists. Intermittent checks because what is not on record here, but what I also know to be a fact, is that the biggest list that was sent there—because of the frenzy—they had only just begun as a matter of a couple of days trying to get a handle on checking this list when it was plucked from their hands quickly and said we can not wait on you we have to do these. So they took the list back from them. But no checks were done.

Madam Speaker, I labour with time on this because I really hope that when this is finished it will really be finished. But there is a need for everyone to understand the wrong.

There is a point that cannot be overemphasised, a point that people need to latch onto and have a full appreciation for. The Laws in your country, like this one that is being amended now, are not just to protect me but to protect all of us—the citizens, the work permit holders and everyone else included—because the safety of the nation is the Government’s responsibility through whichever arm or agency it is and that means the safety of everybody. Because you are Caymanian does not mean that you should be

safer than someone who is not—visitors and residents alike.

Part of that is the Immigration Department having a handle and control of its borders. This act flew in the face of that principle right across the board! It said to the people of this country, we do not care about your safety so we are not going to find out whether or not we are doing the right thing. This is not a stamp allowing somebody to visit your country; this is something that is allowing someone to be a part of everything in your country forever and ever! As far as an overseas territory can go with citizenship, that is the be all and end all. Nothing else can happen beside that. That is it! And nobody is supposed to complain.

The whole line of argument about it being so bad, the one that was a real honey yesterday was when I heard that this Government (the PPM Government) can holler and say all they want about it because the previous Government had the guts to take control and be decisive and act! What an act.

Madam Speaker, the indiscretion cannot be amplified enough. Having said all of this Madam Speaker, I want you, the Opposition, and the entire country to know that we accept we must move on and that is exactly what we are doing; hence the amending Bill.

The Bill deals with certain sections, and as was mentioned before, section 20(1)(e) will now be irrevocable, my colleague, the Minister for Education has explained what the section that we replaced that will be able to do. There will only be four grants allowed annually via Cabinet on the recommendation of the Immigration Board and ratified by the Legislative Assembly. There is another point that needs to be made when it comes to the Legislative Assembly approving these and that being the final say.

Yesterday, the Leader of the Opposition was quick to make the point, as he tried to underscore the fact that because the Government has the majority, the Cabinet (which is a part of that majority) which makes the approval then sends it on the Legislative Assembly for ratification (because we know as a Government, in this instance, once Cabinet approves it and sends it down, by having the majority it will also be approved in the Legislative Assembly) that that is the wrong process. He does not grasp the point or even have a finger on it. The point is not about whether the Government has the ability by sheer numbers to approve it once Cabinet recommends and sends it here; the fact is that it is out in the open for public scrutiny.

The checks and balances are being created so that if, in this finite world of four on an annual basis, a decision is made by Cabinet to say this should happen for whatever the special reason that I cannot imagine at this point in time could be (but I was convinced by my colleagues not to say no) . . . I have to break right there to say that it took a lot of convincing, because for me it would be none. Immigration Board/Immigration Law—*finito no mass*. That is how it

would have been for me. But I accept that conditions or circumstances might prevail at the time so you allow a small window.

The whole idea of that process is the accountability of the act and the transparency of the act and the ability for that to be scrutinised by every elected Member. Logic alone would tell you that should there be any risk in such an act no Government would do it. Simple! But to chime on the fact that the majority Government has to approve their own decision borders on the ridiculous. It shows either a clever line of debate or an inability to understand the reasoning behind it.

So the Bill proposes to take care of that section and to depend on the Law, the Caymanian Status and Permanent Residency Board in just about every instance to allow our citizens the graduating process of security of tenure in this country. I have explained, in brief, the various steps that a person has to take through the Law to acquire security of tenure. And what that does, while this country will spend a minimum of the next five years trying to get that balance back again with infrastructure, education, and everything else . . . I will not even bother to go into that debate this afternoon, although I am sure it is relevant. But I will not go there.

What the Law that exists now and what this amendment will allow for is the orderly progression I spoke about from the very beginning to take place at which point in time there is no quota. Once there is the tenure, there is the right, and there is no special few as I am told years ago . . . the Leader of the Opposition may have been right about what use to happen years ago. But that is before my time and it is not my business. I know what we have to do we are going to do it right. So I do not depend on the experiences of the past, except to learn from them.

As I was saying, this Law, as it reflects any actions that have to take place, will allow for that orderly procession without a quota. So everyone, given the length of stay that is required, and given the good citizenship required, and the civic pride (that is only naturally required), and all of the good things that people do in the land in which they reside, there is absolutely no reason why that normal progression will not take place. And if these people had known this from a long time ago it would have been ongoing by now and everyone would have been less disgruntled, it would have been a level playing field for all and the country by and large would have been much happier.

It is important also, Madam Speaker, to speak to the level playing field, because what went on with the status grants was not a level playing field. We have said it a hundred times, but it allows for repetition to bear emphasis so that people realise exactly the truth of what obtained.

I know that there were many people who, if it was just a matter of tenure and length of stay, were much more deserving than many of those that were granted. As a result of that, with this Law now, some

of them will have to wait between three to five years. We cannot do anything about that because it did not matter where you started with this Law we were going to have a certain window of individuals that were faced with that—if you waited five years from now or if you had done it five years before now, the same situation would obtain. Those people understand that, but at least they now know the direction in which to go.

Madam Speaker, we speak to border control (and sometimes, by nature, I shy away from speaking publicly about certain issues because I do not want to put any ideas in people's heads). The world that we live in now and the world that is around us is a global village and we are part of that global village. We are no longer the Islands that time forgot.

When we look North, South, East and West of us we see all kinds of things happening that for most of us it is something that we see only on the television. We see things happening right here in our own land today that all we use to think of is that is on the television and it is right along side us now. Madam Speaker, let us be totally frank with ourselves. For those things to happen it has to be people that are doing it—people who cross borders.

So for all of us who are here, whether Caymanian, Caymanian status holder, work permit holder, visitor or tourist, it is absolutely important to have control of the borders. While that may be fairly new to the discussion, it is not only relevant, but it is absolutely important for us to recognise that that is what we need to do.

Anything that is done by the way of the law of the land, regarding immigration, has to be geared to protecting the residents of your land.

Madam Speaker, there are other aspects of this Bill that have already been debated. There is the issue of amending the 2003 Law because after Hurricane Ivan and all the labour that was needed many temporary work permits were granted. We found ourselves with the Immigration Department not being able to deal with the renewal of these work permits, not only because there were physically so many, but the Law as it obtains now states that a temporary work permit is neither renewable or being able to be extended, which means that after the temporary work permit one would have to literally stop working until a new work permit is approved. That was a huge problem, and we recognised that.

We are now making sure that that amendment is in place so it does not restrict especially the construction sector, although not limited to [that].

Madam Speaker, let me finally say to the people in this country, and I want to make it clear to them because accusations were thrown at me during the recent political campaign that if the Government that I would have been a part of were elected that we were going to send those people back home and take away the status from the people. I stand on the floor of this House and say that—I am not going to get nasty and

call names, but some of them on the other side did not make it back to this Legislative Assembly. And I heard some of them with my own ears, so they cannot say they did not say that. So let me assure the nation that there is no such thought in our minds for any such deed to occur.

The people of this country can rest assured that the country is in safe hands, and any decisions such as this will be thought out properly. There will be no rash decisions, and whatever we have to deal with in the future, we as a nation must understand that we have to make certain decisions because we have to protect ourselves. Again I repeat: ourselves, meaning Caymanians and all types of residents and visitors alike. We have to understand that we are one.

So there will be no rash try to take back. The Law is the Law. And while we would have liked not to see what happened the way it did—it did! So we now have to move forward and make all the adjustments that we have to make. It makes life more difficult and it is going to take some time for the bitterness to away from some people—not just Caymanians but other people who have been here, who were pushed aside in that rush or who find themselves with a belief that they are now second-class to these new Caymanians because their condition is one that is irrevocable.

All of those things is what we should have thought out before we tried to deal with this thing in this manner.

Having said all of that, I commend the Bill and I believe that it is perhaps one of the first steps to stability. There are many things to be dealt with, but we have to get a clear handle on the matter of immigration, we have to have direction with it and we have to make sure to keep the nation informed so that people understand what decisions are being made, why the decisions are begin made and also that they will understand (and I know they will understand) that ever one of those decisions will be coming from an informed position and it is all to do with the safety and security of our residents.

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

If no other Member wishes to speak, does the Honourable Temporary First Official Member wish to exercise his right of reply?

**Hon. Donovan W. F. Ebanks:** Thank you, Madam Speaker, for the opportunity.

I was not optimistic yesterday morning that my brevity on the first object was going to have the effect that I hoped for. Obviously it did not. But you have heard enough on that one that you do not need anything more from me. So it means that my summing up can touch on the other two.

I am indeed grateful to all Members who have spoken and have aired their views. Hopefully after this is concluded we can further close the chapter.

I would like to take the opportunity to acknowledge what I would say have been the Herculean efforts of the Chief Immigration Officer and his staff ...

**An honourable Member:** Hear, hear!

**Hon. Donovan W. F. Ebanks:** . . . in dealing with the demands that have arisen on immigration as a result of Hurricane Ivan from the very outset in terms of facilitating residents who wanted to get off, and the greater demands that have arisen in terms of catering to increased demand for labour. The innovation and untiring efforts that he and his staff have applied to meeting those demands are really commendable.

I think I should personally say that I am particularly grateful to have as head at this time, when dealing with such issues, someone who I think is outstandingly capable and committed as Mr. Franz Manderson. I think he is an excellent officer and I am particularly proud to have him under my Portfolio.

The Leader of Government Business, in his remarks, touched on the issue of border control as the primary immigration function and I would just like to take the liberty of making a few comments in that regard and perhaps sowing a few seeds.

It is obvious that as Immigration struggles in trying to cater to the demands for additional labour, we have seen the humongous lines. While they have managed to keep all pots the on the stove from boiling over, and Cayman has made huge strides in its recovery, it has not relieved them from the demands to be vigilant about who comes in and who remains here. That border control function, I would insist, is the primary Immigration function.

The seed that I want to throw out is that while we have traditionally piggybacked onto Immigration responsibilities related to managing and overseeing the need to import additional labour, I think in the world that we now live in, where border control must, of necessity, become more and more important to preserving the quality of society that we want, certainly in our case, it is intertwined with our initiatives in terms of reducing crime. The time may soon be upon us when we need to look to in some way relieve the Immigration agency itself of some of those labour importation type issues.

The format of the new Law has quite appropriately delineated between the type of residency and citizenship issues under the permanent residency of the Caymanian Status Board versus the labour type issues under the Work Permit Board and the Business Staff and Planning Board. I guess I take the view that to a large extent what we have asked Immigration to do in respect of importing labour would have been akin to saying to Customs, *because you regulate the importation of the of building materials you should be responsible for building control.*

It is one of those things that because it has evolved we take the two as being inherently linked together. While fundamentally yes, any other agency

that we were to empower to authorise labour being brought in would have, of necessity, to satisfy Immigration in terms of the individual's integrity and character. I just throw it out that I think that in the not-too-distant future if we are going to give the focus and the priority to border control, and perhaps a more concentrated focus as well to the human resource management side, that justice could better be served if we start to separate the two.

Madam Speaker, with those few comment I simply thank all Members for their support and look forward to their ayes when you call the vote. Thank you.

**The Speaker:** The question is that a Bill shortly entitled the Immigration (Amendment) Bill 2005 be read a second time. All those in favour please say Aye. those against, No.

**Ayes.**

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

**Agreed. The Immigration (Amendment) Bill 2005 passed.**

**The Speaker:** Honourable Temporary Second Official Member.

#### **The Judges' Emoluments and Allowances Bill, 2005**

**Hon. Cheryl Richards:** Thank you, Madam Speaker. I beg to move the second reading of a Bill entitled the Judges' Emoluments and Allowances (Amendment) Bill, 2005.

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

The Honourable Temporary Second Official Member.

**Hon. Cheryl Richards:** Thank you, Madam Speaker.

Madam Speaker, and Members of the Legislative Assembly, I wish to present to this Honourable House the Judges' Emoluments and Allowances (Amendment) Bill, 2005. In brief, the purpose of the Bill is to amend the Judges' Emoluments and Allowances Law, 1997, in order to provide that the pensions payable to judges, in the Islands shall be administered by the Public Service Pensions Board.

This follows on from legal advice that the existing law does not permit the making of an order by His Excellency the Governor that would allow the Board to regulate the administration of the Judiciary Pension Plan. The existing Law permits only the scale of the pensions and the dates on which they are applicable to be included in an order by His Excellency the Governor. It is therefore required that the Bill before this Honourable House be passed into Law if the



House so deems it fit before His Excellency the Governor can validly issue an order that would permit the Board to regulate the administration of the Judiciary Pension Plan.

Against this background, Clause 2 of the Bill provides that the Board shall be responsible for the general administration of pensions under the Law and that the Governor may, by order, regulate such administration by the Board.

I therefore seek the approval of this Honourable House in passing the Judges' Emoluments and Allowances (Amendment) Bill, 2005, into law subject to any amendments at the Committee Stage.

Thank you, Madam Speaker.

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

If no other Member wishes to speak, does the Honourable Temporary Second Official Member wish to exercise her right of reply?

**Hon. Cheryll Richards:** Just to thank Honourable Members for their support of this Bill.

**The Speaker:** The question is that the Judges' Emoluments and Allowances (Amendment) Bill, 2005 be given a second reading. All those in favour please say Aye. those against, No.

**Ayes.**

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

**Agreed. The Judges' Emoluments and Allowances Bill, 2005 passed.**

**The Speaker:** This House will now go into Committee to consider the Bill.

#### House in Committee at 2.34 pm

**The Chairman:** Please be seated.

As usual, it is the understanding that the Committee will give the Honourable Temporary Second Official Member the right to correct grammatical or other errors in these Bills. I would ask that note be taken of any grammatical errors and that they be brought to the Committee and the Honourable Temporary Second Official Member.

The House is now in Committee.

### COMMITTEE ON BILLS

#### The Immigration (Amendment) Bill, 2005

##### Clauses 1 through 5

**The Clerk:**

Clause 1            Short title

Clause 2            Amendment of section 2 of the Immigration Law 2003 – Definitions  
 Clause 3            Amendment of section 20 - Categories of Caymanians  
 Clause 4            Amendment of section 51 – Temporary Work permits  
 Clause 5            Amendment of section 54 – Offence to engage in gainful occupation or to employ persons in contravention of this part.

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

**Hon. W. McKeeva Bush:** Madam Speaker.

**The Chairman:** Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** [*microphone off: statements unclear*] Madam Speaker, I was not here when the Leader of Government Business did his debate. . . It is my understanding that it has been said . . . that immigration was not involved in the examination of the list of family members—

**An honourable Member:** That's not part of it.

**Hon. W. McKeeva Bush:** No! It is part of it!

[*Interjections, and shouting*]

**Hon. W. McKeeva Bush:** [*Addressing an honourable Member*] You're not the Chairman!

**The Chairman:** Honourable Leader of the Opposition—

**Hon. W. McKeeva Bush:** [*microphone off: statements unclear*] Let me just say I am trying to get what was said because I know that they came to Cabinet and said that they were checked on by the Immigration Department. Now who in immigration did that, I don't know.

**An honourable Member:** You cannot debate the Bill now.

**The Chairman:** Honourable Leader of the Opposition if you care to find out what the Honourable Leader—

[*Interjections*]

**The Chairman:** Honourable Members would you all please stop the crosstalk until I have said what I have to say?

The Leader of the Opposition wishes to find out what the Honourable Leader of Government Business said. He has every right to request the *Hansard*, but we cannot deal with that in the Committee Stage.

The question is that clauses 1 through 5 do form part of the Bill. All those in favour please say Aye. Those against, no.

**Ayes.**

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

**Agreed. Clauses 1 through 5 passed.**

**The Clerk:** A Bill for a Law to amend the Immigration Law 2003 in order to make better provision in relation to the grant of the right to be Caymanian, certain visitors and temporary work permit holders and for incidental and connected purposes.

**The Chairman:** The question is that the Title do form part of the Bill. All those in favour please say Aye. Those against, no.

**Ayes.**

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

**Agreed. Title passed.**

#### **The Judges' Emoluments and Allowances (Amendment) Bill, 2005**

##### **Clauses 1 and 2**

**The Clerk:**

Clause 1 Short title.  
Clause 2 Amendment of section 2 of the Judges Emoluments and Allowances Law 1997 – salaries et cetera.

**The Chairman:** The question is that Clauses 1 through 2 do form part of the Bill. All those in favour please say Aye. Those against, no.

**Ayes.**

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

**Agreed. Clauses 1 and 2 passed.**

**The Clerk:** A Bill for a Law to amend the Judges' Emoluments and Allowances (Amendment) Law, 1997 and for incidental and connected purposes.

**The Chairman:** The question is that the Title do form part of the Bill. All those in favour please say Aye. Those against, no.

**Ayes.**

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

**Agreed. Title passed.**

**The Chairman:** The question is that the Bills be reported to the House. All those in favour please say Aye. Those against, no.

**Ayes.**

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

**Agreed. Bills to be reported to the House.**

**House resumed at 2.39 pm**

**The Speaker:** Please be seated.

### **REPORTS ON BILLS**

#### **The Immigration (Amendment) Bill, 2005**

**The Speaker:** The Honourable Temporary First Official Member.

**Hon. Donovan W. F. Ebanks:** Madam Speaker, I beg to report that a Bill entitled the Immigration (Amendment) Bill, 2005, was considered by a Committee of the whole House and passed without amendment.

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

#### **The Judges' Emoluments and Allowances Bill, 2005**

**The Speaker:** The Honourable Temporary Second Official Member.

**Hon. Cheryl Richards:** Madam Speaker, I beg to report that a Bill entitled the Judges' Emoluments and Allowances (Amendment) Bill, 2005, was considered by a Committee of the whole House and passed without amendment.

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

Third Readings.

### **THIRD READINGS**

#### **The Immigration (Amendment) Bill, 2005**

**The Speaker:** The Honourable Temporary First Official Member.

**Hon. Donovan W. F. Ebanks:** Madam Speaker, I beg to move that a Bill entitled the Immigration (Amendment) Bill, 2005, be given a third reading and passed.

**The Speaker:** The question is that a Bill shortly entitled the Immigration (Amendment) Bill, 2005, be given

a third reading and passed. All those in favour please say Aye. Those against, no.

**Ayes.**

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

**Agreed. The Immigration (Amendment) Bill, 2005 given a third reading and passed.**

**The Judges' Emoluments and Allowances Bill, 2005**

**The Speaker:** The Honourable Temporary Second Official Member.

**Hon. Cheryll Richards:** Madam Speaker, I move that the Bill entitled the Judges' Emoluments and Allowances (Amendment) Bill, 2005, be given a third reading and passed.

**The Speaker:** The question is that a Bill shortly entitled the Judges' Emoluments and Allowances (Amendment) Bill, 2005, be given a third reading and passed. All those in favour please say Aye. Those against, no.

**Ayes.**

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

**Agreed. The Judges' Emoluments and Allowances Bill, 2005 given a third reading and passed.**

## ADJOURNMENT

**The Speaker:** That concludes the business on the Order Paper for today.

I call on the Honourable Leader of Government Business for the adjournment.

**Hon. D. Kurt Tibbetts:** Madam Speaker, if I may be allowed . . . because of what was explained by the Honourable Third Official Member this morning in his statement, once again we have to adjourn for a specific date. I would crave your indulgence to allow that and if you do, accordingly, I beg to move the adjournment of this Honourable House until 5 August, at which time I believe it is the Strategic Policy Statement (SPS) that will have to be laid by the Honourable Third Official Member.

**Hon. W. McKeever Bush:** Madam Speaker.

**The Speaker:** I recognise the Honourable Leader of the Opposition under Standing Order 31, to make a personal explanation.

**Hon. W. McKeever Bush:** Before we get to that, Madam Speaker, I saw the statement being made by the Honourable Financial Secretary which said that on the 5<sup>th</sup> August the SPS will be made, but we begin our parliamentary conference around the same time and that day would be included, would it not?

**The Speaker:** Honourable Member you are totally correct, it starts on 3<sup>rd</sup> August and finishes on Friday, 5<sup>th</sup> August.

So, Honourable Leader of Government Business, you should change that date to Monday 8<sup>th</sup> August.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker.

I change that and beg to move the adjournment of this Honourable House until Monday, 8 August.

**The Speaker:** I recognise the Honourable Leader of the Opposition under Standing Order 31 which states, "**With the leave of the Presiding Officer, a Member may make a personal explanation although there is no question before the House; but no controversial matter may be included in the explanation nor may debate arise thereupon.**"

Honourable Leader of the Opposition.

## PERSONAL EXPLANATION

(Standing Order 31)

**Response to Statement made by Hon. Minister of Tourism re: Article Appearing in 20 July 2005 *Caymanian Compass***

**Hon. W. McKeever Bush:** Thank you kindly.

Madam Speaker, the Minister of Tourism has made a statement on the contents of yesterday's *Caymanian Compass* front page headline. That statement referred to a story on the front page of the *Net News* that referred to me who had responsibility for the Ministry of Tourism and the Port Authority.

My family, supporters and friends throughout these Islands who have seen that article in the *Net News* were and are upset about the article—and any right-thinking person would be. They believe that it is a spiteful and vindictive political campaign to denigrate me, McKeever Bush, the Leader of the Opposition.

They also believe that the *Net News* is agent provocateur of the Minister.

In the past year, Madam Speaker, especially from August 2004, there have been embellished articles concerning myself and the Ministry of Tourism in that newspaper. When I saw the articles I had no cause to worry because anything anyone wants to check on or investigate is all right by me. I wished and hoped for the day because the Minister did say that

matters had been reported to the Audit Department last year, but not by me. That is where he is fooling himself.

I strongly believe in the audit system and have no fear of openness, checks on value for money, financial controls, or procedure and regulations in place for any of the authorities, government companies or departments within the Ministry of which I had responsibility. In other words, proper transparency and accountability.

That is why in the budgetary process of 2004/2005 I was glad that the Audit Department put it in their annual budget plan. I welcomed it when I saw it there, I knew, I was perfectly aware of what the Audit Office was doing simply because of what the PPM said at the time and what the *Net News* chose to say.

The Audit Department started their work last year with the onset of the hurricane and other matters. I fully understood that they could not get back to it immediately. When I saw the article in the *Net News* with the Minister, I recognised what was happening because headlines make the news instead of news making the headlines. However, I called His Excellency the Governor on the matter; he confirmed to me that he had ordered no investigation and that he understood that there was an ongoing check on value for money by the Audit Department which commenced last year.

I also called the Audit Department, and what the Governor had told me was confirmed by them—the same as the *Caymanian Compass* newspaper carried yesterday in their front page headline story.

I also told the Audit Office that I am able, capable, and willing to talk to them on any matter and would like to be called upon. I do hope so.

I saw in yesterday's paper that the *Caymanian Compass* did what a good newspaper should do—check the facts. They did that through the Audit Office.

The statement by the Minister of Tourism this morning is another matter. The Minister of Tourism seems to take offence of that. In his political zeal, in the name of the Government's proclamation of doing the right thing and being accountable, who is he accusing now? The Governor? The Auditor General?

I read his statement carefully, and here is what one part had to say—third paragraph, second page: **“I fear, Madam Speaker, that the perception is developing that we have double standards and that there is a reluctance to review the conduct of a sitting Member of this Honourable House.”**

Madam Speaker, there is supposed to be an investigation on the missing files in my . . . from that office at the time. I have not heard anything about that yet but I know the Governor told me or told the Cabinet that they intended to have a person from the United Kingdom conduct an investigation, and I have not heard anything about it.

I want the Minister of Tourism to be brave enough, either in this House or otherwise, to say

which misconduct or irregularities he is talking about. He is right about one thing: No one is above the Law—including him.

Madam Speaker, I have nothing to be ashamed of. Let there be an investigation of the Port, West Bay, and George Town, on the purchase of land or for the planned marina for the North Sound boat operators in the watersports business. However, let it be without the Minister's interference if by words and nothing else or veiled threats to the Audit Office. McKeever Bush has nothing to fear.

Madam Speaker, I was not prepared to speak publicly on this matter yet, although I was being called about it by newspapers and supporters. I already have Desmond Seals and the *Net News* sued in a Court of Law, which case I hope will get underway by 29 August. I have a battery of lawyers already looking into the article with Seals, the Minister, and the *Net News* editorial of the same day. No amount of Government's time and no amount of the Government's money will stop me getting the truth out!

From what the Minister said, I hope that the Audit Department will be able to carry out its duty without undue interference by Ministers or anybody else. I, too, do not wish to say anymore. I want the Audit Office to carry out their due diligence. I do have my lawyers dealing with the Minister and [Mr.] Seales. I will have more to say at a later date but I will say that I suspect that the Minister will not like a lot of the information that will be made public in regard to those matters which he used in his statement this morning and which he used to mislead the public in the run-up to and during the General Elections.

Madam Speaker, I thank you for your very kind indulgence.

**The Speaker:** The question is that this Honourable House do now adjourn until 10 am Monday, 8 August 2005. All those in favour please say Aye. Those against, no.

**Ayes.**

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

**At 2.55 pm the House stood adjourned until 10 am Wednesday, 8 August 2005.**

**OFFICIAL HANSARD REPORT****MONDAY****8 AUGUST 2005****10.55 AM***First Sitting*

**The Speaker:** I call upon the Second Elected Member for the district of Cayman Brac and Little Cayman to say the Prayer.

**PRAYERS**

**Mr. Moses I. Kirkconnell:** Let us pray.

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

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

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

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

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

I feel that I have to explain the extremely late starting of this Legislative Assembly. I think it is due to the Members and to the Press who have been sitting here since 10 o'clock.

As most Members are aware there is not a Serjeant-at-Arms employed with the Legislative Assembly Department at the moment. The Police have been graciously lending us a police officer but they were not notified that Parliament was resuming this morning. It is the responsibility of the officer who was

acting as Serjeant-at-Arms, to keep the key for the Mace box safe. We have just received that key, thus the reason why Parliament is just now resuming.

Mr. Griffiths, our security guard, has graciously decided to be the Serjeant-at-Arms for us today.

**Proceedings resumed at 11:00 am**

**READINGS BY THE HONOURABLE  
SPEAKER OF MESSAGES  
AND ANNOUNCEMENTS****Apologies**

**The Speaker:** I have received apologies from the Third Elected Member for the district of George Town and late arrival from the First Elected Member for the district of Cayman Brac and Little Cayman.

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

**The Speaker:** I have received no notice of Statements of Members of Cabinet.

**GOVERNMENT BUSINESS****MOTIONS**

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, before I move the suspension, I crave your indulgence to explain, as a matter of procedure, why we are doing what we are doing the way we are doing it today.

**The Speaker:** Go ahead.

**Hon. D. Kurt Tibbetts:** Thank you.

Madam Speaker, section 23(1) of the Public Management and Finance Law reads: "**The strategic policy statement for the next financial year shall be presented to the Legislative Assembly by a member of the Governor in Cabinet appointed by the Governor in Cabinet to do so on their behalf not later than the 1<sup>st</sup> December in each year for approval within two months, and if the Legislative**

**approve, amend or reject the statement it shall be deemed to be approved.”**

In prior times the Strategic Policy Statement was simply laid on the Table. But legal advice has told us that the fact that section 23(1) of the Public Management and Finance Law states that “if Legislative Assembly has not within that period resolved to approve . . .” The fact that it speaks to that calls for a motion, hence the Government Motion.

What I would propose to do this morning is move the suspension, with your permission, and once the House is in agreement then we would bring the Motion and the Government would speak to the Motion; the Opposition will have the choice to debate the Motion. If they so wish, we would be happy to give them time for us to come back to the House. If there is no wish to debate, then we will conclude proceedings today.

The reason for that option is because of the Motion, and it would really make no sense to bring a motion without debate. The fact is that the Strategic Policy Statement is going to be subsumed in the actual Budget Debate. They might choose not to debate, but we want to make sure that the option is there.

If I may seek which way they may wish to go so that I may know how to handle the situation.

Can I get an indication?

**The Speaker:** Honourable Leader of Government, I think the proper procedure would be to do the suspension of Standing Orders, do your introduction then when I call for any further debate and if the Opposition cares to ask for extended time then the House will grant that.

**Hon. D. Kurt Tibbetts:** That is fine, Madam Speaker.

**Hon. W. McKeever Bush:** Madam Speaker, I think that would be proper, seeing that we would not be able to comment on this as we just received it. If we so choose, after we have heard it is the appropriate time.

**The Speaker:** Honourable Leader of Government Business.

#### **Suspension of Standing Order 24 (5)**

**Hon. D. Kurt Tibbetts:** Madam Speaker, I move the suspension of Standing Order 24(5) in order to bring Government Motion No. 2/05.

**The Speaker:** The question is that Standing Order 24(5) be suspended. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Standing Order 24(5) suspended.**

**The Speaker:** Honourable Leader of Government Business.

#### **Government Motion No. 2/05**

##### **Approval of the Strategic Policy Statement for the 2005/06 Financial Year**

**Hon. D. Kurt Tibbetts:** Madam Speaker, I beg to move Government Motion No. 2/05 entitled, Approval of the Strategic Policy Statement for the 2005/06 Financial Year.

**The Speaker:** The Motion has been duly moved and is open for debate. Does the Honourable Leader of Government Business wish to speak thereto?

Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you.

Madam Speaker, before I speak to it I wish read the Motion, with your permission.

**The Speaker:** Go ahead.

**Hon. D. Kurt Tibbetts:** The Motion reads-

**WHEREAS section 23(1) of the Public Management and Finance Law (2003 Revision) states that “a strategic policy statement for the next financial year shall be presented to the Legislative Assembly by a member of the Governor in Cabinet appointed by the Governor in Cabinet to do so on their behalf not later than the 1<sup>st</sup> December in each year for approval within two months, and if the Legislative Assembly has not within the period resolved to approve, amend or reject the statement it shall be deemed to be approved”;**

**AND WHEREAS the 2005/6 budget preparation process was severely disrupted by Hurricane Ivan resulting in the consequent inability to prepare a strategic policy statement for the 2005/6 financial year by 1 December 2004;**

**AND WHEREAS the Government has now prepared and presented a strategic policy statement for the 2005/6 financial year;**

**BE IT NOW THEREFORE RESOLVED that the Legislative Assembly approves the policy priorities, aggregate financial targets and financial allocations set out in the 2005/6 Strategic Policy Statement as the indicative parameters on which the 2005/6 Budget is to be formulated.**

I know that the majority of the Members of this Honourable House are familiar with the way the Government’s financial management system operates and the major phases of the annual budget cycle. However, I am also conscious of the fact that there are some Members to whom this process is new.

I would like to begin my remarks by explaining the role and purpose of the Strategic Policy Statement tabled in this Honourable House today.

The Government's Annual Budget Process consists of two related but discrete phases: The first is the strategic phase, which culminates in the preparation and tabling of a document called the Strategic Policy Statement (or SPS for short). The purpose of the SPS is to establish the strategic context and aggregate financial parameters for the second part of the budget process, that is, the detailed budgeting phase.

The SPS is deliberately strategic and high level in nature. It does not allocate resources to individual expenditure items or specify the particular initiatives the Government will pursue. That detail is established during the detailed budgeting phase and reported in the Annual Plan and Estimates. The Annual Plan and Estimates is the main budget document and is tabled in the Legislative Assembly on Budget day.

Normally, the SPS is finalised and tabled in the Legislative Assembly no later than 1 December each year as per the Public Management and Finance Law section 23(1). This then allows the Budget to be prepared and enacted before the new financial year begins on 1 July. However, Hurricane Ivan has resulted in a later and more compressed budget process for the 2005/6 financial year.

In order to accommodate the delayed election and allow time for the strategic priorities of the new Government to be adequately reflected in budgetary decisions, the SPS is being presented much later than usual. As a result, the timing of the Budget has also been put back, and as the Honourable Third Official Member recently advised this Honourable House, Budget day is scheduled for early October.

This 2005/6 budget process timing is a one-year aberration. The timing for the 2006/7 budget cycle will revert to the timing prescribed by the Public Management and Finance Law. This means that the SPS for the 2006/7 financial year will be presented to the Legislative Assembly no later than 1 December 2005. The House will therefore receive two Strategic Policy Statements and one Budget over the next four-month period.

Madam Speaker, there is another change that I could speak to, but in my early explanation I already spoke to that, so I will continue to speak about the SPS.

We believe that the SPS debate should be a regular part of the Legislative Assembly's annual business and recommend to you, Madam Speaker, that the Standing Orders of this Honourable House be amended to ensure that it is so. I wish to point out that the way section 23(1) of the Public Management and Finance Law is written perhaps allows room for different interpretation, and we will also look to ensure

that it is very clear and that there is no chance for different interpretations.

Madam Speaker, let me now turn to the substance of the 2005/6 Strategic Policy Statement.

This is the first SPS to reflect the outcome goals, fiscal strategy and priorities of the new PPM Administration, so I would like to explain the basis of its preparation. In developing the document the Government has been guided by two factors: the commitments made in the PPM's manifesto; and the importance of taking a medium-term perspective to government finances.

Madam Speaker, the Government is fully committed to delivering on its campaign promises. I say that we will complete the country's recovery from Hurricane Ivan. We will combat crime and appropriately resource the Royal Cayman Islands Police [Service]. We will address the disastrous state of affairs in health and education left by the previous administration and we will improve the level and quality of services in those sectors.

We will address traffic congestion, and we will invest in essential road infrastructure. We will embrace Cayman Brac and Little Cayman. We will support the economy, particularly the twin pillars of tourism and financial services. And we will ensure that we deliver on our promises in a manner that the country can afford.

In preparing this SPS, Madam Speaker, the Government has gone to considerable lengths to ensure that the levels of expenditure, capital, and borrowing established for 2005/6, and the following two years, are affordable and sustainable over the long-term.

To satisfy itself in this case, the Government prepared not only forecasts for this three-year period, but also longer-term projections for the periods through and inclusive of 2011/12. These projections show that the financial targets set for the current forecast period are indeed affordable and sustainable. Long-term planning of this kind has been notably absent in the past, Madam Speaker. The preparation of long-run fiscal projections is reflective not only of the growing maturity of Cayman's financial management system, but also of the Government's commitment to responsible, open and honest government. I now come to the Government's Outcome Goals.

Section 2 of the SPS outlines the Government's strategic outcome goals. There are eleven such goals and these reflect the blueprint for these Islands established by the PPM's campaign manifesto. For the benefit of Honourable Members and the listening public, I would like to quickly outline the eleven outcomes.

### **Outcome 1 Deal with the Aftermath and Lessons from Hurricane Ivan**

Within this broad outcome, there are a number of specific outcomes and policy actions that will be pursued. These include:

- Completing the recovering and rebuilding of the Islands.
- Assisting with housing needs.
- Dealing with property insurance issues.
- Enhancing our Disaster Preparedness and Mitigation Readiness.

The Government considers that the most pressing need of the country at this time continues to be recovering from the effects of Hurricane Ivan. Outcome 1 is therefore the Government's number one strategic priority.

### **Outcome 2 Address Crime and Improve Policing**

Key specific outcomes and actions within this outcome goal include:

- Updating relevant legislation to adjust criminal penalties and improve enforcement;
- Increasing the level of policing through the provision of appropriate operational and capital funding for the RCIP (and by now everyone will know that the Government has already taken action in this area);
- Establishing a Forensic Service to assist with crime detection (and that is a very, very important ingredient in the whole strategy);
- Transforming the Drugs Task Force into an effective Coast Guard; and
- Strengthening rehabilitative programmes.

### **Outcome 3 Improve Education and Training**

This Government believes that human capital and education is the cornerstone upon which the social, economic and cultural wellbeing of our society is built.

The SPS outlines our key policy strategies in the education sector. These include:

- Providing adequate classrooms, facilities and teacher resources;
- Revising the curricula to ensure they cover core academic, conceptual, problem-solving and communication skills;
- Establishing minimum achievement standards, and encouraging academic excellence and the pursuit of tertiary education;
- Promoting vocational training and the pursuit of excellence in technical and vocational areas;
- Fostering life-long learning; and
- Promoting adult education and literacy.

We are aware that this is a very ambitious agenda but one that the Government is determined to

achieve. Improving education is a key a strategic priority of this Government.

### **Outcome 4 Rebuild the Health Services**

This outcome clearly reflects our commitment to improving the health of the nation. Key strategies in this outcome area involve actively focusing on disease prevention and getting the Health Services Authority into a sustainable long-run position, both clinically and financially. At the same time we want to ensure that health care is affordable to all residents.

Our goal for the Health Services Authority (HSA) is particularly challenging given the dire financial situation we have found at the HSA. The Authority has not had a proper budget for at least two years and its cash flow is heavily dependent upon deficit support from the Government.

The initial financial forecasts provided by the HSA as part of the strategic phase projected a deficit of \$12 million. This financial situation is a reflection of this disarray in the health sector, and the previous administration has to be held responsible.

As in education it will take time to rectify the results of this neglect. However, the Government is determined to do so. The health of the nation requires it.

### **Outcome 5 Address Traffic Congestion**

The Government's view is that there are no short answers or quick fixes to the Grand Cayman traffic congestion problem. However, the SPS outlines a number of strategies that we intend to pursue. Key amongst these is the development of a National Transportation Plan which will establish a long-term transportation game plan.

In the meantime our key road priorities are to continue work on the east-west arterial highway and the Esterley Tibbetts Highway, as well as urgent repairs to existing major traffic routes throughout the Island.

And that does include your district, Madam Speaker, the district of North Side.

### **Outcome 6 Embrace Cayman Brac and Little Cayman**

The Government recognises that the Cayman Brac and Little Cayman are unique and in many instances solving their problems requires a different approach than in Grand Cayman. We believe that we need to develop economic activity in Cayman Brac and Little Cayman that reflects their unique character while benefiting the residents there.

I wish to say very clearly that the Government is very happy to be working with the representatives, especially the new representative who has come on



board with innovative and new ideas that we believe will make a difference in Cayman Brac and Little Cayman.

### **Outcome 7 Conserve the Environment**

The natural environment is of critical importance to those of us who live in these Islands, as well as being the bedrock of our tourism industry. The Government is therefore concerned to protect the environment for both current and future generations.

Key strategies to be pursued under this outcome include:

- Enacting the Cayman Islands National Environmental Policy;
- Implementing sustainable environmental development standards;
- Developing a National Energy Policy which encourages the use of renewable energy sources; and
- Promoting environmental awareness and protection.

Madam Speaker, many of us hold the view that many of the ills of society can be traced back to the family. The Government ascribes to this view and our eighth outcome goal is therefore to strengthen the family and community.

### **Outcome 8 Strengthen Family and Community**

Again there are a number of specific outcomes that we have identified in this area. These include:

- Supporting the many roles of women;
- Targeting young people;
- Enhancing the lives of the elderly;
- Providing for persons with special needs;
- Respecting religion;
- Supporting sport and recreation; and
- Preserving our culture.

Of course, Madam Speaker, achieving all these outcomes relies heavily on the state of the economy. With this in mind, the next outcome is supporting the economy.

### **Outcome 9 - Supporting the Economy**

This Strategic Policy Statement outlines a range of specific outcomes which we intend to pursue to support and encourage economic growth. These include:

- Enhancing tourism;
- Supporting Cayman Airways;
- Promoting the Financial Services Industry;
- Encouraging small business development;

- Establishing a public utilities commission;
- Improving Immigration policy and administration; and
- Developing the agricultural sector.

The fact that “supporting the economy” is outcome number nine does not mean that it is a low priority. The numbering of outcomes is for ease of reference and is not an indication of relative importance. Supporting the economy must, and will, have the utmost priority.

### **Outcome 10 Open, transparent, honest and efficient public administration**

This is the outcome that best reflects the philosophy and approach we wish to bring to the business of government.

Outcome 10 is different from the other outcomes. It is less about a state of wellbeing and more about an attitude, a set of behaviours that we, as a Government, want to exhibit. It is also what we expect from the civil service and, indeed, everyone working in or with the wider public service.

Key strategies the Government intends to pursue under outcome 10 include:

- Establishing a culture of openness and honesty in government;
- Implementing personnel reform;
- Implementing public authority reform;
- Enacting freedom of information legislation; and
- Progressing constitutional modernisation.

Last, but certainly not least Madam Speaker, is outcome 11, which is Sound Fiscal Management.

### **Outcome 11 Sound Fiscal Management**

The Government knows that while it needs to achieve the other outcomes, it must do so in a fiscally responsible way. We are absolutely committed to ensuring that the management of the government’s finances complies with the principles of responsible financial management established by the Public Management and Finance Law. As part of this strategy we will demand efficiency and effectiveness in all areas of government expenditure.

Madam Speaker, I hope that this brief overview of our 11 outcome goals, and some of the strategies to be used to achieve them, has given Honourable Members an understanding of where the Government’s priorities lie.

It is an ambitious set of goals, and rightfully so. Our country has many challenges and it is our duty as the duly elected representatives of the people, to address them. The Government—the PPM Government—is determined to do so.

## The Government's Fiscal Strategy

Madam Speaker, I would now like to address the financial aspects of the Strategic Policy Statement.

As required, the SPS specifies the aggregate financial targets and financial allocations for 2005/6, 2006/7 and 2007/8 years. These are the financial parameters on which the Budget for this fiscal year will be developed.

The aggregate financial targets reflect the Government's fiscal strategy. That strategy has three elements:

1. Fiscal responsibility;
2. The need to address the country's social and economic infrastructure needs; and
3. Economic management considerations.

I have already identified sound fiscal management as one of the Government's outcome goals. In fact, it is the bedrock upon which investor confidence in these Islands is built. It is also critical to the Government's ability to obtain the financing necessary to repair, maintain and further develop the Islands' infrastructure.

Compliance with the principles of responsible financial management is therefore the first, and perhaps most, important plank of the Government fiscal strategy. It is, and will continue to be, a key driver of the Government's financial decision making. However, the Government also recognises that the social and economic infrastructure of this country is in urgent need of attention. In particular, there are important infrastructure needs in the policing, education, and government administration sectors, as well as in roads and other transportation areas. These needs—not wants, but needs—have both capital and operating requirements and their magnitude is considerable.

The second plank of the Government's fiscal strategy is to generate the cash flows necessary to finance priority capital and operating infrastructure needs. Our approach to achieve this is fivefold.

The first is to keep a tight rein on operating expenditure. I can speak to that by saying that Cabinet has already agreed that, in the preparation stages, whatever is projected on the recurrent side of the 2006/7 and the 2007/8 Budget to work along with the 2005/6. Whatever those amounts are that we have agreed upon now, we have committed ourselves (beyond extraordinary circumstances) to stay within those amounts. That is absolutely important and shows the commitment that is there.

Most of what Government does requires funding and it is important that we prioritise spending toward outputs and other interventions that have the biggest impact on our 11 outcomes.

Achieving strategic alignment does not happen by accident. It requires deliberate decisions that explicitly consider and prioritise both new and existing expenditures in light of the Government's objectives.

Such an approach is already being adopted as part of the 2005/6 Budget process. It will be an ongoing feature of the Government's expenditure management. However, as I outlined earlier, the Government is also committed to completing the recovery and restoration of the Islands after Hurricane Ivan. This will require additional operating and capital expenditures, particularly in 2005/6, and this will limit the extent of expenditure reduction possible in the short term.

Our second funding strategy is to ensure that statutory authorities and government companies are financially stable. This will involve working with public authorities—particularly the large loss-making ones like Cayman Airways and the Health Services Authority—to develop financially sustainable business operations. Madam Speaker, achieving this is a daunting task, made even more so by the fact that the previous administration left a shameful state of affairs in several of the public authorities within that sector.

When we began the strategic phase, we found that public authority losses were forecast (that is forecast by themselves, not by us) to be close to \$34 million in this fiscal year (2005/6)—of losses. Ultimately those losses have to be financed by the Government.

To put it another way, the forecasts were telling us that the first \$34 million of government revenue could not be spent on rebuilding the Islands, or fighting crime, or improving education. Rather, that first \$34 million of government revenue was required simply to keep those authorities going. That is not a healthy state of affairs.

To put this in perspective, \$34 million is nearly as much as the government planned to spend on primary and secondary education last year; and 50 per cent more than the government budgeted for police outputs in 2004/5. It equates to somewhere around \$850 for every man, woman and child resident in these Islands. It is a level that cannot be sustained, especially in light of the other pressing needs we have as a country.

Public authorities must not be a drain on the public purse over and beyond the funding they receive for the delivery of outputs that they produce. They must be financially stable businesses. The country cannot afford for them to be anything else.

With this in mind, the Government has set a strategic goal of ultimately achieving an overall break-even position for the public authority sector as a whole. We know that this will not be easy, and accomplishing this goal is likely to take 4-5 years, perhaps even longer. In the meantime we will work towards a steady decline in net losses for the sector. This will release funds from the core government sector to finance initiatives related to our priority outcome areas.

Our third funding strategy is to look for new external sources of finances. Some possibilities in this regard were outlined in our manifesto and include a

dedicated, independent education trust. We will hear more about that as the days go by.

Madam Speaker, the magnitude of the country's urgent infrastructure needs is beyond the scope of these first three funding sources. The Government therefore plans to use borrowing to fund a significant proportion of its planned capital programme.

Provided that such borrowing is affordable—and it is—there is a strong economic rationale to use borrowing as a major financing source. Many of the planned capital projects, such as new schools and major road projects will generate long-term social benefits. Those benefits will be enjoyed by several generations. So borrowing to finance these projects helps match their costs and benefits over time.

To ensure that borrowing is kept to affordable levels, the Government has established two important borrowing rules: The first is that borrowing must be within the limits established by the principles of responsible financial management. The second is that the timing of capital expenditure is to be managed so as to minimise overall borrowing levels.

Madam Speaker, the cost of additional borrowing, together with increased funding for the Police, the operating costs of new schools, and other priority expenditures, will significantly increase the Government's operating expenditure in the short-term. Both our short-run forecasts and long-run projections show that these increases will be greater than current revenue streams can finance. That is simply a fact. So in years to come the Government is going to have to look to new sources of revenue which will be required for this purpose.

Madam Speaker, it is abundantly clear that the people of these Islands strongly desire better education, more resources for the Police, and better roads to reduce traffic congestion. They also desire better delivery of the health services. We believe (and we are going to be extremely careful with this) that once we are up-front with the needs the people of the country will accept when they may have to pay a little more to obtain these extra services.

It is no sense not doing everything possible to deliver these services which are a holistic approach to the society itself, because revenue is not capable of handling it. We believe that the country wants us to say '*This is what we will deliver but it cannot match the income so we are going to have to find more income in order to deliver these services*', and that is the approach the Government is taking.

While accepting that in the short- and medium-term projections some new measures will be necessary, the Government has established a strict criterion as to when they are to be used. New revenue measures will be only implemented where there are demonstrable increases in government services that need to be financed—such as new schools. New revenue will not be used to fund existing services. The Government, the civil service and government owned

companies must understand that clearly. That is the way it is going to be and that is the way we are going to continue to tailor the suit that we wear. Any changes in these services will be funded by natural revenue growth or expenditure reprioritisation.

Madam Speaker, the third and final plank of the Government's fiscal strategy is economic management.

The Government recognises that if not properly thought out, new revenue measures can be damaging to the economy. When it establishes targets for operating revenues, operating expenses and capital expenditures, the Government will be considering not only the need to comply with the principles of responsible financial management and the need to address social and economic infrastructure needs, but also the economic impact these targets will have.

In doing so the Government will give due consideration to its outcome goal and the PPM manifesto commitment to support the ongoing economic development of these Islands, particularly the twin pillars of tourism and financial services.

Madam Speaker, the aggregate financial targets specified in section 4 of the SPS reflect this three pronged fiscal strategy. They make provision for the additional operating and capital expenditures necessary to achieve our outcome priorities. At the same time they comply with all the principles of responsible financial management.

Let me quickly explain by an example: We know that we need the new schools; we also know that there are some that exist now, for instance the George Town Primary, we cannot ask the question as to if it is going to be done. The fact is that needs to be rebuilt. It is as simple as that. It is not one of these questions where you can sit and twiddle your thumbs and wonder whether you can or cannot do it. The fact is that it has to be done so you have to find a way to do it. But when you look to that picture, within the next two to three years it is going to call for additional recurrent expenditure, if we even think about just staff—forget about all of the other ancillary costs—but there is going to be noticeable and tremendous operational costs for education.

The fact of the matter is, to provide those outcomes and then on an annual basis to produce the outputs required to deliver is simply going to cost more. So we as a country have to come together to determine the best ways to handle that. That is going to be the approach. There is not going to be anything draconian about what is done, but the country will understand if we produce the goods and that is what we are going to do.

The operating targets for 2005/6 make provision for a number of extraordinary expenses relating to Hurricane Ivan. Although Hurricane Ivan occurred almost a year ago a residue of hurricane-related expenses is still expected in this fiscal year. This was

reflected in the pre-appropriation motion approved by this Legislative Assembly earlier this year.

After adjusting for the one-off nature of the extraordinary items, the operating surplus is targeted to grow from a near breakeven position projected for this fiscal year, to a surplus of around \$30 million in the following two years. And I just explained the need for that to happen. These levels of surplus are deliberate and consistent with the fiscal strategy I have just outlined.

The targets for core government operating revenue in 2006/7 and 2007/8 include an allowance for additional revenue. And we are going to have to sit and work that out as we move into those times. Again this is in line with the fiscal strategy.

Let me pause and tell every jack-man in this Legislative Assembly and indeed in this country that to look to argue that whether it is politically motivated or personally motivated is futile because this Government is going to deliver. But for us to deliver the country has to walk the walk with us and we are not going to be about any pretence. The truth of the matter is that those few who might be there to get in the way, will either fall in line or fall away. I repeat, Madam Speaker, the Government is going to deliver!

What is notable, however, Madam Speaker, is that the medium-term focus applied to our financial planning means that we are about to begin the process of developing the revenue stream from now. So we are not going to wait until the last minute. And this means that we do not have to resort to poorly thought-out measures developed at the last minute, as has often been the case with governments in the past.

And to be fair, when I say in the past we can go back as far as we wish.

The borrowing targets show an increase over the forecast period. This is reflected in the cash flow targets, which also allow for substantial net investing flows. These reflect the Government's anticipated capital expenditure programme over the next three years inclusive of all the things I spoke about before. Once again this is consistent with the Government's fiscal strategy.

Apart from this fiscal year, 2005/6, where the extraordinary expenses have a negative impact on the cash position, the targeted cash balance remains relatively unchanged across the forecast period.

I quickly interject and say that if we look to an operating surplus this year before extraordinary expenses, it is similar to what occurred in the 2004/5 year where there was some \$30 million of extraordinary expenditure and an operating surplus prior to that extraordinary expenditure, but when you looked at the bottom line there really was an operating deficit because of the extraordinary expenditure.

This year we will have perhaps less than half of that extraordinary expenditure, which means that the bottom line will be less of an operating deficit but nevertheless an operating deficit because of that extraordinary expenditure.

The targeted closing cash balance remains at or above the minimum level of cash reserves required by the principles of responsible financial management.

In conclusion, Madam Speaker, the 2005/6 Strategic Policy Statement—the first ever prepared by this PPM Administration—presents a clear, coherent and financially affordable strategy for the future development of these Islands. With the support of the Honourable Members of this House, and indeed the country as a whole, the Government will pursue this strategy with vigour and dedicated commitment. We will ensure that it is reflected in the 2005/6, as well as subsequent, budgets.

Our strategy is based around the 11 outcome goals which reflect the commitments made in our manifesto. They include completing the country's recovery from Hurricane Ivan, combating crime, improving education and health services, addressing traffic congestion, conserving the environment, embracing Cayman Brac and Little Cayman and supporting the economy.

The financial targets established in this SPS are robust and based on a fiscal strategy comprising three elements: fiscal responsibility; acquiring the resources necessary to address the country's social and economic infrastructure needs; and supporting ongoing economic development.

The targets provide for significant capital development over the next three years. This will be funded by a combination of expenditure control, borrowing and new revenue measures.

Madam Speaker, the planned capital programme is one of the largest the Government has ever undertaken. It is indicative of the ambitious goals that the PPM Government has set for itself. It is also a reflection of the neglect the country's essential infrastructure suffered in the hands of previous administrations.

Madam Speaker, many governments in our history have made expenditure decisions without worrying much about the future implications of those decisions. Such governments have not served our communities the way that they should have. I want to stand this morning to draw a distinct line between this PPM Government and that style.

This PPM Government is no such government. Our financial targets have been set with the future in mind. The preparation of long-run fiscal projections has shown that the targets outlined in this SPS are sustainable through to at least 2011/12 financial year. They are targets that the country can afford. They are targets that will fund expenditures that the country desperately needs.

Madam Speaker, the 2005/6 Strategic Policy Statement provides clear evidence that this Government—the PPM Government—is indeed a Government that people can trust. And the people will watch. We know that the people are watching. And they will find that it is a Government that the people can trust to deliver on promises that we make.

It is a Government that people can trust to manage the country's finances responsibly. It is a Government that people can trust to be open and honest about what it is doing and when it is doing it. To cap it off nicely, it will become very clear to the people of this country in very short order that this Government is a Government with a clear vision and a plan to achieve it.

Thank you very much, Madam Speaker.

**The Speaker:** Does any other Member wish to speak? The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Speaker, I rise in support of Government Motion No. 2/05.

My contribution will be focused on an explanation of the economic forecasts contained in the Strategic Policy Statement (SPS) and, the basis on which the financial targets have been prepared.

Madam Speaker, Government's current financial year is the twelve-month period from 1 July 2005 to 30 June 2006, and this year will be referred to as 2005/2006.

Madam Speaker, section 3 of the SPS provides the forecast economic position of the Cayman Islands for the period 2005/2006 to 2007/2008, therefore covering a three-year period. These economic forecasts were prepared by the Economics and Statistics Office of the Portfolio of Finance.

Traditionally, these forecasts have been presented as part of the annual Budget Address. However, with the way the Government's budget process now works, it is more appropriate that they be commented upon when the Legislative Assembly considers the SPS document, as it now doing.

Madam Speaker, preparation of the economic forecasts as part of the strategic phase of the annual budget process is important for two reasons: First, the economic forecasts provide the Government with an indication of the how the economy has performed over the last year, and how it is forecast to perform over the current and the following two years. This is an important indicator in its own right because, as the Leader of Government outlined in his address, supporting the economy is one of the Government's 11 outcome goals.

Second, the Government's own revenue and expenditure position is strongly influenced by the state of the local economy. As a general rule, an increase in economic activity will tend to increase Government's revenue. Conversely, an economic downturn will tend to reduce Government's revenue and increase pressure on social expenditures such as poor relief and support for indigents. The forecast level of economic activity is therefore a key factor to be considered by the Portfolio of Finance and Economics when preparing financial forecasts.

In turn, those financial forecasts are a major determinant of the Government's Aggregate Financial Targets.

Madam Speaker, data collected by the Economics and Statistics Office indicate that the Cayman Islands economy grew by 2.0 per cent in the 2003 calendar year and 0.9 per cent in 2004. Not surprisingly, this relatively low 2004 growth rate was as a direct result of the impact of Hurricane Ivan.

During calendar year 2004, and the first three months of 2005, the financial services industry recorded mostly positive growth with increases in mutual fund registrations, increases in captive insurance registrations and premiums, stock market capitalisation and listings also increased, and new companies registered. Meanwhile, the only notable decline during this period was in the number of banks and trust company licenses.

In relation to the tourism sector, visitor arrivals were down in the 2004 calendar year by 7.5 per cent, relative to the previous year (2003). Within this total decline of 7.5 per cent overall, cruise arrivals decreased by 6.9 per cent and air arrivals declined by 11.4 per cent.

The decline in visitor arrivals during 2004 is, of course, directly related to Hurricane Ivan, including the closure of the Islands to tourists for approximately two months directly after the hurricane. The temporary shortage of tourist accommodation is having a flow-on effect to the current year. During the first three months of 2005, total visitor arrivals decreased by 8.1 per cent in comparison to the first quarter of calendar year 2004. The Economics and Statistics Office (ESO) expects this decline to stabilise once the existing stock of visitor accommodation is again fully operational.

Madam Speaker, as most Honourable Members are aware, import duties and other consumption taxes constitute a large proportion of government's revenue. The value of imports increased in 2004 by 30.5 per cent and increased by a further 94.8 per cent in the first quarter of 2005. This dramatic increase is once again directly related to Hurricane Ivan. It is indicative of the huge amount of raw materials and finished goods being imported as part of the rebuilding effort.

On the labour market front, the Cayman Islands unemployment rate remained unchanged during 2004 at 4.4 per cent. While this might seem surprising in light of the problems faced by the tourism sector after the hurricane, it is important to remember that a large number of residents left the Cayman Islands after Hurricane Ivan. The steady unemployment rate at the end of the 2004 reflects this reduction in the labour force. The relatively unchanged position in respect of the unemployment rate is simply a mathematical reflection of the fact that on the denominator of the fraction the size of the labour force would have declined because of individuals leaving the Island. When viewed in conjunction with the fact that the nu-

merator of the fraction, the actual unemployed, could result in the unemployment rate remaining relatively unchanged at 4.4 per cent.

Consumer inflation was 4.4 per cent in 2004, compared to a historically low 0.6 per cent in 2003. This rise in prices is attributable to the widespread damage caused by Hurricane Ivan, especially to the housing stock. With limited housing, the rental of residential properties increased by approximately 30 per cent in the last quarter of 2004. This increase in rent is expected to stabilise as more of the housing stock is repaired and new accommodation is constructed.

The Hurricane Ivan driven growth in inflation is reflected in the statistics for this year. Consumer inflation for the month of March 2005 was 11.1 per cent higher than March 2004. This inflationary pressure is expected to work its way through the system during the remainder of the year as the demand pressures created by the restoration process ease.

Madam Speaker, statistics overall by the ESO show that the Cayman Islands' economy has demonstrated remarkable resilience following the devastating impact of Hurricane Ivan. This is most clearly seen from the economic data prepared on a financial year basis. As the 2004/2005 financial year began on 1 July 2004, it includes only one quarter of pre-Ivan activity—in contrast to the 2004 calendar year statistics which included three quarters of pre-Ivan data.

On a financial year basis (meaning from 1 July in one year to 30 June in the next year):

- real economic growth is estimated to be 3.7 per cent in 2004/2005 - up from 1.5 per cent in 2003/2004;
- unemployment is estimated to be 4.5 per cent in 2004/2005—a slight increase from the 4.3 per cent of the previous financial year; and
- inflation is estimated to be 6.5 per cent in 2004/2005—a sizeable increase from the 2.5 per cent of 2003/2004.

Madam Speaker, the forecasts for the current and next two years are consistent with this post-Ivan economic picture.

The Cayman Islands economy is forecast to grow by 5.4 per cent in 2005/2006; 3.7 per cent in 2006/2007; and 3.0 per cent in 2007/2008. The high growth rate in the current year continues to reflect the economic impact of the restoration effort, together with international influences. It is expected that the economy will return to more normal growth levels as the recovery and restoration work is completed. This accounts for the slowing of the Gross Domestic Product (GDP) growth in 2006/2007 and 2007/2008.

The size of the labour force and the number employed is forecast to grow in 2005/6 and again in future years. By 2007/2008 the total number of persons in employment is expected to be around 29,500—a record high level. This reflects both the forecast growth in the economy and the return of residents who left the Islands in the post hurricane period. This trend is most obvious from the employment fore-

casts for 2005/2006 that shows the total number employed is expected to be around 2,900 more than in 2004/2005.

The growth in GDP and employment is also reflected in the forecast for unemployment. These predict a continued gradual decline in the unemployment rate from 4.6 per cent in 2005/2006, to 4.5 per cent in 2006/2007, to 4.4 per cent in 2007/2008. These levels are only slightly above the generally accepted 'full employment' rate for the Cayman Islands, of 4 per cent.

The very marginally higher unemployment rate in 2005/2006 (of 4.6 per cent versus the 4.5 per cent rate in 2004/2005) is mostly attributable to adjustments in the workforce brought about by Hurricane Ivan. As a result of the hurricane some employers were forced to scale down or close their business operations either temporarily or permanently, thus causing some workers to become unemployed. Although the construction sector is experiencing rapid growth, an unemployed individual from the tourism industry, who does not have the necessary skills to work in construction, will find other employment opportunities, limited. Consequently, the unemployment rate is expected to decline as the tourism sector recovers.

Happily, Madam Speaker, the inflation is forecast to return to modest levels over the forecast period. The forecasts predict a decline from 5.6 per cent in 2005/2006 to the more normal 2.5 per cent in 2006/2007 and 2007/2008.

Madam Speaker, the Public Management and Finance Law (2003 Revision) requires the SPS to provide forecasts for five key economic indicators: economic growth, inflation, unemployment, employment, and the current account position of the balance of payments.

I have just outlined the forecasts for the first four of these indicators but not the fifth. This is because, historically, the ESO has not measured the balance of payments position and is therefore unable to forecast it. The Government recognises that the current account position is an important economic indicator, particularly in a financial services jurisdiction such as the Cayman Islands. A project is currently underway within the ESO to develop the necessary balance of payments measurement and forecast capability. It is hoped that this capability will be developed in time to provide balance of payment forecasts for the 2007/2008 SPS.

Madam Speaker, I would now like to turn to the aggregate financial targets and specifically their basis of preparation.

As the Leader of Government Business explained in his remarks, significant effort was put in to ensure that the aggregate financial targets are robust, comprehensive, achievable and sustainable. The starting point for the targets was the development of robust, bottom-up forecasts of expected revenues, expenditures and balance sheet activity. This re-forecasting process used the forecasts contained in

the gazetted Pre-Election Economic and Financial Update (PREFU) as their starting point.

Those forecasts were then updated to take account of new economic and financial information that has become available since the PREFU document was prepared in April this year.

As part of this process, the forecasts for major revenue items were reviewed and updated. While the economic forecasts were taken into account as part of the revenue review process, the re-forecasting of revenue did not involve simply applying of a universal GDP factor to existing forecasts. In other words, if the GDP is expected to grow at a certain percentage in arriving at the revenue targets and forecasts, the Portfolio of Finance did not apply a broad-brush approach and take that percentage GDP growth and apply it across existing revenue items to arrive at new figures. We did not adopt that approach. Rather, revenue items were reviewed on an item-by-item basis and adjusted as necessary to reflect the particular factors influencing that revenue item. This was done to ensure the forecasts are robust and based on known, identifiable revenue items.

Expenditure forecasts were also updated from their PREFU starting position. This included taking into account the impact of the economic forecasts on government expenditure. Revised forecasts were also obtained from the larger statutory authorities. The results of all those revisions are reflected in the new aggregate forecasts that were then used as the starting point for setting the aggregate targets.

The next step was to make provision for the likely financial impact of the Government's key policy initiatives. This was to ensure that the targets reflect the policy agenda the Government wishes to pursue over the next three years.

As part of this step, the Government undertook a rigorous review of both existing and desired new expenditure to ensure that the aggregate expenditure and balance sheet targets were both feasible and achievable. This work was guided by both the Government's fiscal strategy and the Government's unwavering commitment to the principles of responsible financial management.

Finally, in order to ensure that the three-year forecasts were sustainable, particularly in relation to capital expenditure and financing, long-run financial projections were prepared. These projected operating revenues, operating expenses, capital expenditures, and cash flows on a year-by-year basis were extended out to the 2011/2012 financial year. The 2005/2006 to 2007/2008 forecasts were then reviewed in light of those long-term projections and revised as necessary to ensure sustainability within the parameters of the principles of responsible financial management was achieved.

The end result of this process is the aggregate financial targets contained in section 4 of the SPS. Those targets are based on a robust set of up-

dated forecasts; the targets reflect the likely financial impact of the Government's planned policy initiatives; and the targets are consistent with the Government's fiscal strategy, and are sustainable over the medium- to long-term.

Concurrent with the establishment of the aggregate targets, the Government established the financial allocations to ministries and portfolios that are reported in section 5 of the SPS.

The allocations are indicative and represent the share of the aggregate operating and capital expenditure targets that are available to each Minister and Official Member for the 2005/2006 Budget, together with indicative planning allocations for the following two years. These allocations are used as the basis for Ministers and Official Members and their Ministries/Portfolios to establish their outputs and detailed budgets for the 2005/2006 financial year.

Honourable Members will note that the total amounts allocated (which are shown by Table 6 and 7 on page 24 of the SPS Document) are different from the aggregate targets. They are, however consistent, and I would like to assist Honourable Members by explaining how this works.

The aggregate financial targets establish the total operating expenses for the year. For 2005/2006 this equals Operating Expenses of \$368.196 million plus an additional \$13.943 million of Extraordinary Items making a total of \$382.139 million. These figures are found in Table 4 on page 19 of the SPS. This target is referred to as "the core government". Core government operating expenses are made up of two broad categories.

The first is expenses incurred by ministries which are funded by revenue earned by those entities from sources other than Cabinet. The target for these externally funded entity expenses is \$22.695 million in 2005/2006.

The second category of expenses is "executive expenses". Executive expenses are the portion of core government expenses that are controlled directly by Cabinet and which are funded by coercive revenue. These are the expenses incurred by the Cabinet in purchasing outputs from ministries, portfolios, statutory authorities, government companies and non-governmental output suppliers, and funding transfer payments and various other miscellaneous expense items. The target for executive expenses is \$380.338 million, which is shown in Table 6 of the SPS Document.

Although the target for core government expenses is important for the financial management of the government as a whole, it is the amount of executive expenses that are the focus of budget allocations. This is because executive expenses are the amount available to Cabinet to spend.

Just to complete the picture, Madam Speaker, Honourable Members will note that the numbers I have quoted for externally funded entity operating ex-

penses and executive expenses are \$20.894 million more than the target for core government expenses. This is because the entity and executive expense numbers are gross numbers, whereas the core government expense number is a net number after eliminations of inter-government transaction items. This is the accounting treatment required by the Public Management and Finance Law.

The same explanation applies to the capital expenditure allocations. The aggregate financial targets set out in Section 4 of the SPS establish a limit for capital expenditure. This is the number entitled "net investing cash flows" and it is comprised of two amounts: The first is investing cash flows which relate to asset purchases funded by ministries and portfolios from their own resources. The second is executive investing cash flows. These are the capital expenditures controlled directly by Cabinet and it is this amount that is allocated across Ministers and Official Members.

The capital allocations are used to fund one of three capital items:

1. equity investments into ministries, portfolios, statutory authorities and government companies;
2. the acquisition or replacement of executive assets; and
3. loans-made.

Madam Speaker, I hope that this explanation has helped honourable Members understand the technical content of the 2005/2006 SPS. I hope also that it will help honourable Members understand the rigor that is applied in preparing the documents that are laid before this honourable House during the annual budget cycle.

Thank you Madam Speaker.

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

**Hon. W. McKeeva Bush:** Madam Speaker, when the Leader of Government Business called me last night to say that there was a Business Committee Meeting in regard to this meeting this morning for this statement, I really had no plans to speak. I think I at least told him it would not be a long debate. I do not rise to be too long but merely to say a few words in regards to some of the things.

Key policy strategy is given by the Leader of Government Business, broad policy statements that we also campaigned on if you check our manifesto. I would say if they can be attained it would be what the country is desirous of and what the country needs. I have no problem with what they are saying here. We have to wait to see how it all pans out.

The Minister has said they are financially affordable. I suppose that whenever the Government brings the Budget losses in the authorities which affect the central government budget that it will be explained. We know that the Health Services affects central budget, it has always affected it. The size of

the of the budget deficit . . . it is not the first time that it has reached that, but has been that way for a long time. It has grown some, of course—as was expected. From the day we set out to build a new hospital there were studies done by Ernst & Young which showed us that the health costs of the country were going to increase tremendously and some of that brought discussions through the years about the new hospital, about where it should be and so on.

We also know that Cayman Airways affects the central budget and that has a deficit also. We know that that deficit has grown. It was reported that the deficit has grown and it was reported that the deficit was rising. Correspondingly, the valuable contribution it makes in revenue I think Cayman Airways pays its due.

The Maritime Authority is new and affects central government budget and that has spent much more than it gains in revenue.

CINICO has a tremendous expenditure, one that I have been dubious about but one which carried in the majority and one that was done because certain people could not get insurance.

Housing Trust—we will wait to hear the outcome of that, but that is also new. The Roads Authority is new and of course would affect central budget because they do not make any money. They are all new entities—that is, Maritime [Authority], CINICO Housing Trust, Roads Authority—with new start up expenditure that I suppose are called investments in the future. They started up with projected deficits which are not alarming to me because they are all taken from areas that we knew would be costly.

We knew that the Public Works Department was costly and we knew that if we had a national roads program that it would be costly. It is needed but it is costly and that work was started.

What the Minister has presented in the key policy strategies are things that we were on the way to doing and, in fact, campaigned to do. The country recognised that it all had to be done.

As the Financial Secretary said a few days ago, we left \$88 million in the kitty, and that is not a bad position to find ourselves in. We had to spend money because of the hurricane. So it is laudable that we want these things done and they need to be done but what underpins all of this where funds will be expended is where the money will come from.

I would say that there is no more room in the traditional areas of the financial sector and customs duties, and so on, for increased revenue for the Government to put on more fees. I do not know. It has been lauded about what the Maritime Authority will do, but we will wait to see what can be gained out of it. It performs a very valuable job for the country and the country has to have that sort of regulatory body.

The people cannot take any more costs on them. I did not entertain those ideas before and I would not agree to any increase in costs now. Cost increase such as the CUC tax is unacceptable and



already the people are feeling the knock-on effect. I cannot see those authorities and private sector industries that burn a lot of electricity not raising their costs. So the country can not prevent some increase in cost in that regard.

Borrowing is all good and well. We have to be careful of how far we go into borrowing because we do not want to get into a debt spiralling effect where it will damage our ability to do other things if we are spending all of our money on payments.

Madam Speaker, I am not going to be long on this matter because we do have the Budget to deal with when it comes. I am pleased that the plans for the Police are moving forward. In the minutes of Finance Committee there is a question and answer period with the Commissioner of Police (at the time) with regard to their needs. It is going to be interesting to read what was said at the time and what is now being asked for expenditure.

At the time, the whole House knows, they said that they had enough money. And that is what they told us in Cabinet each time. I am not knocking anybody but I am just saying that we talk about \$50 million now and a couple of months back Cabinet was told, [that they] got what [they] needed in vehicles and answers like staffing [was] not the question or the problem. But we want to give the Police every assistance that we can because the problem we face with crime is not going to go away easily and these things are not going to be done over night. I know that we would all like that—the new Government would, and I, as the Opposition and a representative of the people would like that—but it is not going to go away easily. I called for very strong penalties in the past and I was told that we can only do so much. However, I would hope that the culture of molycoddling criminals is thrown out the door. If the new Government can achieve that, then I am there to stand with them side by side.

*[Interjection]*

**Hon. W. McKeeva Bush:** *[addressing an honourable Member]* Well, me and you will be better friends!

*[Laughter]*

**Hon. W. McKeeva Bush:** Madam Speaker, the whole question of crime will destroy everything the new Government is trying to do and what the old Government accomplished if we do not take it in hand and if you have to man-handle, beat up, clear down, tear down . . . whatever needs to be done, I have told the Governor that over and over and over.

Now, mind you the Government told me not to blame the Governor, but blame the Government and we must not throw the fault on the Governor but, Madam Speaker, they well know that the responsibility is His Excellency's, the Governor. The Governor is

responsible for the Police and we only give as governments, past and present, whatever they have asked us for.

I believe that we have very good people in our police force. But we need to pay close attention to them and I believe, from what I am seeing, that is what is happening; no more than what was happening in the past, and we can clap our hands to that.

So, Madam Speaker, I would hope that with what they say is going to be done, what they campaigned on and what we campaigned for—the only caveat is where the funds are going to come from—then I can say that I support what is being talked about.

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

Second Elected Member for the district of West Bay, is it your intention of having a two-hour debate because we could take the lunch hour now and return after. Or is it going to be a very short debate?

**Mr. Rolston M. Anglin:** Madam Speaker, I am only supposed to receive that type of abuse from the Government Bench, not from the Chair!

*[Laughter]*

**The Speaker:** It was the importance of the luncheon hour, that is all.

**Mr. Rolston M. Anglin:** Madam Speaker, I think starving me out might be the best approach if you want me to be shorter.

*[Laughter]*

**The Speaker:** Second Elected Member for the district of West Bay you can have your two hours—I will not stop you before then.

**Mr. Rolston M. Anglin:** Madam Speaker, I intend to be brief because I believe that this Motion serves as a big picture prelude to the Budget so every opportunity will be given at that time to speak to these matters—but from a much more informed position because we would have the Budget in front of us that underpins these broad outcome goals.

However, I think that it is important that a few additional words be offered because I believe what is very heartening is that the Honourable Leader of Government Business has given the country, without saying so, the assurance that the financial state of affairs is indeed on solid ground. That is important, because to achieve any goal one needs funding to do it. More importantly, as we see from the projections for 2006/7 and 2007/8, we see that there is predicted to be a continuation of the strong growth in the econ-

omy that had started in late 2002—but much more so in 2003 and onward, and was abruptly interrupted by Hurricane Ivan.

Given the position we currently are at (and we are looking at a Strategic Policy Statement and not able to have before us the Budget that would underpin this policy statement) it might be wise that in looking at the way forward the Government considers (as has been alluded to) the wording in the Public Management and Finance Law, but also consider not having debate ensue on their policy statement. I believe it is the right of the Government to do so. That right is outlined in the Law. But I believe that it is also proper for the Government to come before the Budget to outline in broad terms to the country the way forward.

It is awkward now to debate the way forward without the benefit of the actual funding that is going to provide the wheels and the engine for these goals to be achieved. We could easily say that there are goals in here that are extremely ambitious. It is important to have ambitious goals because if you do not shoot for the stars you certainly will not land on the moon. However, whilst there is this feeling amongst us as members of this community and Elected Members, there is much uneasiness in the wider community in regard to what has been a dramatic increase in violent crime, gun crime, and also burglaries. That issue, as has been stated by the Leader of Government Business and the Leader of the Opposition, undermines everything that we have worked hard to achieve in the Cayman Islands and would undermine everything that we hope to achieve in the future.

Tackling crime and funding police activities is but one part of the way forward and part of the solution. However, I believe that it is important that two other small points also enjoy an attitude of zero tolerance in this country.

If you look at page 12 of the Strategic Policy Statement you will see that unemployment is around 4.4 per cent, which, I might add, is down considerably from 2001 when it was in excess of 7.5 per cent. It is projected that at the end of this calendar year it would be at 4.6 per cent, and the next calendar year at 4.5 per cent. I believe that in this Island we call home where much opportunity for employment abounds, it is incumbent upon us as Members of this House to have a zero tolerance for unemployment. Unemployment also seeks to undermine everything that we worked hard for and everything that the Government is working hard for and hopes to achieve. How else can a person achieve the Caymanian dream if they are not employed?

Four per cent means one in every twenty five. I am not privy to how these numbers are calculated and forecast, and whether or not these numbers already carve out those persons who are unemployable for whatever reason (mainly persons who have some sort of mental or physical affliction). So we have to ensure that we address the vexing issue of labour

practices and wages in this country where we know there are so many Caymanians who open businesses where the business model is underpinned by wages that cause Caymanians to not even look to those sectors for employment. One that easily comes to mind is security companies. We all know what they expect to pay a person who is expected to work graveyard shifts.

So it is important that those issues, like unemployment, also enjoy zero tolerance. We must strive to have every able bodied Caymanian employed in this country making a positive contribution because crime is not just committed by non-Caymanians, and unemployment is the breeding ground for criminal behaviour and criminal activity.

We must also have zero tolerance for [truancy]. Whilst we in this country enjoy the benefit of having the vast majority of our young people being good Caymanians, all eager to either further their education or become employed, we have too many who are still slipping through the proverbial cracks and one of the major contributing factors is their absence from school.

Madam Speaker, when we look at this Policy Statement, if we can achieve half of these goals, as a country, Cayman will be a better place to live, work and raise our families. I am not a person who is so driven by my own ambitions as to not wish that we achieve these goals. We need to achieve these goals because it is all of our futures—our children's and our grandchildren's—at stake. Sometime I get a bit passionate when I start thinking about the way forward in this country.

There is another point in the Strategic Policy Statement that I would ask about. That is on page 18. To put it in context the statement outlines a five-pronged approach as to how the Government is going to realise their fiscal strategy (which starts on page 17). The first is to keep a tight reign on operating expenditure. The second is to ensure public authorities are financially sustainable. The third is very interesting—to look at new external sources of finances. All it says here is that some possibilities in this regard were outlined in the PPM's manifesto.

I would have thought that this statement would have elaborated on that point because it is very important that whoever picks this up to read is able to get some idea from the document itself as to what it is being eluded to. I mean, it is not a sub-point but a point in and of itself.

Madam Speaker, in regard to the strain that statutory authorities and government-owned companies can put on Government finances is a very critical point. However, what I think would have been beneficial during the presentation by the Honourable Leader of Government Business would have been to have given a bit more information in regard to how that \$34 million would have been made up. I think it is safe to say (certainly from prior knowledge and from the statement) that Health Services Authority must con-

tribute a significant portion of this amount and it would be extremely important just so that the record would clearly illustrate the actual facts behind that particular number because in and of itself, that is a significant number. It is very important for the House and for the country's sake to understand precisely what makes up that \$34 million so that people could judge for themselves how critical those services are to their daily lives.

Certainly, in the case of the Health Services Authority it is a very important one because health of the nation is of paramount importance. I presume that an argument that would be made is how well the Authority is actually managed and run. I would presume also from the comments made earlier that that would be the particular point contention.

The last point I would like to touch on is the issue of new revenue. If I understood the Honourable Leader of Government Business correctly, he made the point that the new Administration will not entertain the use of new revenue for old services, and that new revenue would only be used for demonstrable enhancement of existing service areas, such as, education and the like where there is, I believe, great need for improvement. However, when we look at the area of new revenue, I would encourage the Government to also ensure that they look at how subsidies are granted by Government especially in those particular areas.

Certainly, we could easily make an argument that a particular area in Government needs great enhancement. They [could] receive the enhancement (whether by way of capital development and then additional operating expenditure that is needed) . . . and let us use the example of education and schools, since that is one that is hot on most people's minds these days. We also have to ensure that we look, using that example, at the areas in which Government also provides subsidies outside the Government system. Now, that could mean that there are other rationales for subsidies—there could be strategic reasoning for certain subsidies. Because, if you use that same example, there are certain types of private schools in Cayman that provide certain services that could be well beyond the scope of looking at them in any way simply because Government sees it as strategically important for those entities to continue providing that service, despite the fact that costs may have gone up and there may be a need to enhance revenue to fund that area.

I say that it is important that we look carefully at anything outside of the system whereby Government subsidises a service and has to receive any form of funding from Government.

I wrap up by encouraging all Members of this House and members of the public who have not already [done so] to read the most recent Moody's Country Report on the Cayman Islands—July 2005 Country Report. I believe that report supports the

opening statement I made in my contribution. That report, along with what I have seen thus far in this Strategic Policy Statement and what I have heard thus far from the Government (that the Cayman Islands financial position is one that is still healthy and the outlook for Cayman is still positive) . . . when you look at the report you will see that there are areas that we need to work on, there are some ratios that we need to pay keen attention to, such as borrowings to GDP. I am confident that under the leadership of the Honourable Third Official Member those areas will receive the type of attention that is needed.

That report goes on to conclude [with] Cayman maintaining its current rating, which is, of course, critical to us. Because, as the Government has outlined in this Policy Statement (in particular, on page 19, table 4), we see significant incremental amounts of borrowing are projected. However, I agree with the Honourable Leader of Government Business when he said that when we borrow to build for the future, we ensure that we enhance the future of Caymanians. That is what I would consider prudent borrowing and prudent management of resources and prudent public policy.

With those very brief remarks I believe that all of us do not really have a choice but to support the Strategic Policy Statement at this point. We now have to see what the Budget holds. At the end of the day there are certain caveats that have been drawn out as to a way forward by the Government, so we will see as we move forward the actual matters come to fruition. I thank you, Madam Speaker.

**The Speaker:** Proceedings will be suspended until 2.15 pm.

**Proceedings suspended at 1.05 pm**

**Proceedings resumed at 1.54 pm**

**The Speaker:** Proceedings are resumed. Debate continues on Government Motion No. 2/05. Does any other Member wish to speak?

The Third Elected Member for the district of West Bay.

*[Interjection]*

**Mr. Cline A. Glidden, Jr:** Thank you, Madam Speaker.

As my good friend, the Minister of Education over there has warned me, I do not intend to be long. It is totally different from my colleague, the Second Elected Member for West Bay, because when he says he is not going to be long he is still pretty extended!

*[Laughter].*

**Mr. Cline A. Glidden, Jr:** I just felt it necessary to make the point (prior to coming to the vote) . . . my colleagues and the Leader of Government Business have done a great job expressing and discussing in detail the Strategic Policy Statement.

My only concern with the vote would be that seeing that it was done with three "WHEREAS" but one "RESOLVE", for all intents and purposes voting in the affirmative for this Motion would cause me a bit of concern not having access to the items that make up . . . specifically on page 18, when we look at the aggregate financial targets and we look at the source.

We have source 1,2,3,4 and 5. The one that I have specific issue with would be source 4, which is undertake new borrowing; and source 5, the increased revenue, which makes note of increased revenue measures.

Source 3, as well, says look for new external sources of finances. It says "some possibilities in this regard were outlined in the PPM Manifesto."

I take great comfort when we look at source 5 where it says "new revenue measures will be used only to fund new or additional public services sought by the public." I take pride in being part of a previous Government (as my colleague was saying earlier) which indicates that the current financial position of the Government is on a sound footing and for the new services that is going to be necessary they are going to need new sources of funding.

My only concern with that is that I know quite a bit of reference was made to PPM's manifesto on which they were duly elected as the Government. Not being familiar with that, I am not sure if that also made mention of new revenue measures or [if it] also discussed borrowings. Not having seen what those new revenue measures will be, and not knowing what the amount of borrowing will be I do not find that it would be responsible of me to support that aspect of this document without having access to that information.

As far as the plans, and the policies, and the wish list for our good country, Cayman, to move forward, I am in full support of those statements and those strategies. I fully recognise as well that to do that will require revenue measures as well as some level of borrowing. Not knowing what those amounts would be at this stage, I would have to abstain from committing my support to those at this stage. But I support, in general, the Strategic Policy Statement.

With those few words I felt that it was necessary to explain why I will abstain from voting for that in the absence of that information.

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

If no other Member wishes to speak would the Honourable Leader of Government Business wish to exercise his right of reply?

The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. I wish to thank all Members who have spoken to the SPS.

There were a few questions raised from the Opposition Bench during various contributions, and I want to speak to a couple of those questions.

First, the Second Elected Member for West Bay was querying what was meant by "new external sources". When I moved the Motion I used the example of one these sources—a dedicated education fund. That is in its infancy, but the idea behind that fund would be to seek corporate sponsorship and such the like with perhaps a special committee being formed or a board to administer the funds and also to raise funds for that. That is in its infancy but we do believe that there are good corporate citizens in this country, who, if called upon with specific objectives in mind, may support once they are satisfied that the funds are being used for specific purposes such as education.

Madam Speaker, a question was also asked about statutory authorities and the \$34 million I mentioned earlier on. The Second Elected Member for West Bay asked for a breakdown of that figure, and I will quickly (in rounded terms) say that initially there were some US\$21 million that the Government was going to have to fund Cayman Airways with to keep it operational. The Health Services Authority was \$12 million; there was an amount for Cayman Islands National Insurance Company (CINICO) of just under \$5 million, and the Tourism Attraction Board was (I think) \$.6 million.

Some of those figures have been revised after in depth discussions and new strategies being employed by the various boards, but those were the initial amounts. When the Budget Document is prepared and tabled the Annual Plan and Estimates will show that those figures will be different from original projections.

In a nutshell, it seems to me that one of the biggest questions being asked at this point is regarding revenue measures. It is not projected that there be any pointed revenue measures in the 2005/6 appropriations. It is in the medium term that we will be looking because extra revenue will be needed to fund both the capital side of the outcomes to be achieved and also the operational expenditure which will be incurred by the new schools.

We are going to have to look at that very carefully, but I want to give every assurance that we are going to be proactive from now and that is why it is mentioned in this Strategic Policy Statement that we are going to be looking at the complete register of government revenue which is being kept. Once that is updated, we are going to look at every single aspect of government revenue and we are going to examine any possible new sources. But the assurance is that all stakeholders will be consulted and agreement sought for the way forward with whatever those measures may be.

With regard to unemployment and zero tolerance, certainly that is what all of us would aspire to be the case in the Cayman Islands at this point in time. The fact of the matter is that there are several factors which contribute to a certain level of unemployment in the Cayman Islands. I do not think that this is the forum for that debate, but suffice it to say that when we look at individuals who are part and parcel of that statistic, for various reasons some of them being un-tooled and unskilled, others with other social problems to be dealt with, we will find that some individuals are in that position. We have to be moving towards being able to tool those individuals or to deal with their specific problems. It is one of those circumstances that we have to have pointed efforts once we can identify these individuals and try to take remedial measures in that regard.

The Minister for Education, Employment and Training certainly will be turning his head towards that as he moves along the trail to improve education.

Madam Speaker, I believe that about covers the areas of concern that I heard. I am grateful for the Opposition recognising and lauding the wish list and I now call upon them to give every assistance to the Government to make sure that wish list becomes the real list and that all of these objectives are achieved.

Thank you.

**The Speaker:** The question is—

Second Elected Member for the district of West Bay?

**Mr. Rolston M. Anglin:** Madam Speaker, on a point of procedure. The resolve is surrounding three distinct areas. It approves the policy priorities, the aggregate financial targets, and the financial allocations set out in the Strategic Policy Statement.

I wonder if the Government would be so minded as to allow the House to vote on those three areas distinctly and separately.

**The Speaker:** Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you. Madam Speaker, the Second Elected Member from West Bay did raise the point with me earlier on but the Motion has been crafted in this specific way because the fact of the matter is that to achieve the outcomes, no one of those three aspects can be left out of the equation.

So, while the Opposition would seek the luxury of supporting the ones that are easy for them to support, it cannot work that way. The Motion was deliberately done in that fashion. If the Opposition does not find themselves with the ability to support the entire Motion then they will have to make up their own minds. But for us to separate the motion in the manner in which is being asked is to make the whole thing disjointed and one cannot work without the other. Therefore, that is impossible to do.

**The Speaker:** The question is: "BE IT NOW THEREFORE RESOLVED that the Legislative Assembly approves the policy priorities, aggregate financial targets and financial allocations set out in the 2005/6 Strategic Policy Statement as the indicative parameters on which the 2005/6 Budget is to be formulated."

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

**Ayes.**

**Mrs. Juliana Y. O'Connor-Connolly:** Abstain.

**The Speaker:** The Ayes have it. Government Motion No.—

Honourable Minister of Education?

**Hon. Alden M McLaughlin, Jr:** Madam Speaker, may we have a Division please?

**The Speaker:** Madam Clerk.

**The Deputy Clerk:**

**Division No. 1 05**

**Ayes: 8**

**Noes: 0**

Hon. D. Kurt Tibbetts  
Hon. Alden M. McLaughlin, Jr.  
Hon. Charles E. Clifford  
Hon. Anthony S. Eden  
Hon. George A. McCarthy  
Hon. G. Kenneth Jefferson  
Mr. Osbourne V. Bodden  
Mr. Moses I. Kirkconnell

**Abstentions: 4**

\*Hon. W. McKeeva Bush  
Mr. Rolston M. Anglin  
Mr. Cline A. Glidden, Jr.  
Mrs. Juliana Y. O'Connor-Connolly

*\*Hon. W. McKeeva Bush: Madam Speaker, I hoped that we would not have gotten to this point but it seems like everybody is proving a point here. I am agreeing with the Resolve section, the policy priorities, but the aggregate financial targets and the financial allocations set out, I find myself not able to support it.*

**The Speaker:** Honourable Leader of the Opposition it is either you are going to support the question as put or you are not going to support it. We cannot break it down into three different sections unless the question was on each specific question.

So what is your vote?

**Hon. W. McKeeva Bush:** What is my vote?

*I've already voted. That's in the record. Now we should not even have to get to that.*

**The Speaker:** *Honourable Leader of the Opposition it is either you are going to support the question as put or you are not going to support it. We cannot break it down into three different sections unless the question was on each specific question.*

*So what is your vote?*

**Hon. W. McKeeva Bush:** *What is my vote?*

*I've already voted. That's in the record. Now we should not even have to get to that.*

**The Deputy Clerk:** *[after completing the call for the division]* The result of the division: 8 Ayes, 3 abstentions and 5 absent.

**The Speaker:** The result of the division as interpreted by the Speaker is 8 Ayes and 4 abstentions.

Government Motion No. 2/05 is duly passed.

**Agreed by majority: Government Motion No. 2/05 passed.**

## ADJOURNMENT

**The Speaker:** That concludes the business of the House and I will now call on the Honourable Leader of Government Business to move the adjournment.

**Hon. D. Kurt Tibbetts:** Thank you. Madam Speaker.

If you will allow me quickly (and I will call for the adjournment in a moment) . . . but just for the House to know that there are some ancillary matters that need to be cleared up with regard to the 2004/05 year—some of the extraordinary expenditure because of Hurricane Ivan. As a result, we will need to come back here before anticipated to be able to deal with some supplementary expenditure that needs to be ratified.

With your permission I move the adjournment of this Honourable Legislative Assembly until 10 am 29 August 2005, at which time we will reconvene to take care of such matters.

**The Speaker:** Honourable Leader of Government Business, am I to understand that we will be moving into the third meeting on 29 August, as we have completed all business before the House today?

**Hon. D. Kurt Tibbetts:** Yes, Madam Speaker, that is exactly the case because the Business Paper has been expired with what has been accomplished. Thank you.

**The Speaker:** The question is that this Honourable House do now adjourn until 10 am 29 August 2005. All those in favour please say Aye. All those against, No.

**Ayes.**

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

**At 2.15 pm the House stood adjourned until 10 am 29 August 2005.**

**OFFICIAL HANSARD REPORT**  
**MONDAY**  
**29 AUGUST 2005**  
**11.14 AM**  
*First Sitting*

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

**The Deputy Speaker:** I call upon the Third Elected Member for Bodden Town to say the Prayer.

**PRAYERS**

**Mr. Osbourne V. Bodden:** Let us pray.

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

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

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

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

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

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

**Apologies**

**The Deputy Speaker:** I have received apologies for absence the Honourable Speaker of the Legislative

Assembly, the Fourth Elected Member for West Bay, and the Third Elected Member for George Town, who are all off on CPA business in Fiji.

I have also received apologies from the Honourable Leader of the Opposition, the First Elected Member for West Bay, the First Elected Member for West Bay (who is away on medical purposes with his family); the Second Elected Member for Cayman Brac and Little Cayman; the First Elected Member for Cayman Brac and Little Cayman and the Second Elected Member for West Bay, as well as from the Honourable Temporary First Official Member.

I have also received notice of an announcement from the Honourable Leader of Government Business, to whom I will upon at this time.

**Hon. D. Kurt Tibbetts:** Thank you, Mr. Speaker.

Mr. Speaker, when we last met (on 5 August), we had announced this date for a meeting of the Legislative Assembly in order to conduct the business on the order paper and one or two more items.

Unfortunately, as you have just announced there are several Members of the Legislative Assembly who, at this point in time, are unable to attend for various reasons—some due to a death in the family, or sickness in the family, and there are some who are away on official government business. The end result is that with the exception of your good self (and you are now neutered because you are in the Speaker's Chair) there are no Members of the Opposition present today. Making that announcement is not at this point in time pointing out anything else but the fact that for various legitimate reasons [no Opposition Members are] present.

When we set this date, the most important part of the business was for the Second Supplementary (APE) to be laid on the Table and for the Second Supplementary Appropriation Bill to be approved—the clean-up exercise for the 2004/05 fiscal year. It is a little bit unfortunate that we did not know prior to this morning of all of the absences, because we would have been able to prepare a lot a better. Let me apologise to all concerned, including the media at this point in time, for the late start. Unfortunately we did not know what the circumstances were and it was with difficulty that we were preparing all of the business until we were able to contact everyone. The reasons are legitimate. It is just that, unfortunately, hearing each individual circumstance and putting it together for the eleventh hour did not allow us to begin any further.

So, the Government is of the view, as we have articulated on more than one occasion, that it

would not be fair or in the best interest of the democratic process to proceed with the second readings of either of the two bills that are on the Order Paper today without any Member of the Opposition being able to air the view of the Opposition. Even if we were to assume the Opposition would be in agreement, it is not fair not to allow that position to be articulated by the Opposition.

Taking that view, Mr. Speaker, we do not wish to proceed with the second reading of either of the two bills that are on the Order Paper. Checking all of the dates at the end of the [sitting] today we will adjourn to an agreed date to continue the business that is on the business paper so that we can conclude.

To sum up, Mr. Speaker, we wish for all to know that it is the Government's position that, while we would like to get the business taken care of expeditiously, it would not be fair to do it in this manner; and under the circumstances and not having knowledge of all of the factors involved prior to this that is the position we take today.

Therefore, as the Order Paper reads we will proceed with the First Readings and the tabling of the various documents and then we will adjourn until the date that we will prescribe.

Thank you.

**The Deputy Speaker:** Thank you, Honourable Leader for that explanation.

Madam Clerk.

## PRESENTATION OF PAPERS AND OF REPORTS

### **The Cayman Islands Monetary Authority 18 Month Report—1 January 2003 to 30 June 2005**

**The Deputy Speaker:** I now call on the Honourable Third Official Member, responsible for the Portfolio of Finance and Economics.

**Hon. G. Kenneth Jefferson:** Thank you, Mr. Speaker.

I beg to lay on the Table of this Honourable House the Cayman Islands Monetary Authority 18 Month Report—1 January 2003 to 30 June 2004.

**The Deputy Speaker:** So ordered.

Would the Honourable Member wish to speak thereto?

**Hon. G. Kenneth Jefferson:** Yes, thank you, Mr. Speaker.

Pursuant to section 51(5) of the Public Management Finance Law, the Cayman Islands Monetary Authority's 18 Month Report 1 January 2003 to 30 June 2004 has just been laid on the Table of this honourable House. Mr. Speaker, the report combines

two periods: the first being the six month financial period from 1 January to 30 June 2003. That was a period chosen to accommodate the Government's change over to a July to June financial year; the second period being a full financial year, 1 July to 30 June 2004.

Mr. Speaker, this report is the first to have been prepared by the Monetary Authority since it gained operational independence 1 March 2003. The report has also been noted by Cabinet. It is clear from the report that, despite challenges, the Monetary Authority continued to carry out its functions at a high standard validating the trust that was placed in it to the granting of operational independence. In so doing, the Monetary Authority contributed significantly to the continued growth of the Cayman Islands financial services industry and the overall economy and well-being of these Islands.

The financial statements shown in the report, as at 30 June 2004, were prepared in accordance with the Monetary Authority Law and those financial statements have been examined by the Auditor-General. The Auditor-General has issued unqualified or clean opinions in respect of both periods.

Mr. Speaker, the Authority realised a net income of \$1.9 million, as at 30 June 2004. Of this net income, a sum of \$0.53 million was transferred to a paid-up capital, bringing this account to a total of \$8.1 million. Other transfers included a sum of \$0.78 million to a general reserve and a sum of \$0.62 million to the general revenue of the Cayman Islands Government.

The key feature to the change of operational independence on the 1 March 2003, was that powers previously vested in the Cabinet to issue and revoke licences and for enforcement now vests in the Authority through its Board of Directors. During the reporting period, licensing and registration activity varied from industry to industry, with the captive insurance and mutual funds sectors demonstrating the most growth. The total number of captive licences increased from 561, as at 31 December 2002, to 663 as at 30 June 2004. During the reporting period, the number of mutual funds grew from a total of 4,285 at 31 December 2002, to 5,399 at 30 June 2004.

The banking sector continued to experience a decline, in terms of the total number of active institutions, which is indicative of the global trend of consolidation within the banking arena. Despite this decline, Mr. Speaker, total assets and liabilities of the Cayman Islands banking institutions continued to increase. The steady, though gradual increase in the area of fiduciary services suggests that the jurisdiction is still favoured for this type of business.

During the period, enforcement activity resulted in 12 revocations; seven instances of appointment of controllers; two instances of appointment of advisors, and the submission of seven winding up petitions, as well as one licence suspension.



The Monetary Authority's transition to operational independence has significantly enhanced its ability to meet international standards of supervision, accountability and transparency, while giving the benefit of more clearly defined functions, duties, powers and obligations. In addition, the creation of an executive committee of the board and the establishment of a management committee comprised of heads of the divisions and which meet separately to deal with licensing applications, revocations and enforcement actions have facilitated a more efficient licensing and supervisory process.

At the same time the Authority, in its ongoing efforts to enhance its regulatory regime, formed four working groups and a task force to look at the legislation, under which the financial services is supervised, and the way in which the Monetary Authority carries out its supervisory functions. The working groups covered banking, insurance, investments and securities and fiduciary services. Their work together with that of the task force on mutual funds, have resulted in major recommendations and amendments that, at the end of the reporting period (30 June 2004) were in various stages of progress.

Much work has been done on the preparation and issuance of policy guidelines and statements of guidance for the financial sector. The Monetary Authority has also produced the Regulatory Handbook to provide a practical guide to the operations of the Monetary Authority and the transparency and accountability in the way the Authority regulates and makes decisions. The handbook details the structure and responsibilities of the board and management committee, the relationships that the Monetary Authority has with external bodies and specific information on matters such as the licensing process, the supervisory approach and the supervisory returns.

It also sets out the policies and procedures to be followed by the Authority, its committees and officers in performing the regulatory and cooperative functions.

Mr. Speaker, the Authority reviewed updated, and in September 2003 reissued the Guidance Notes on the Prevention and Detection of Money Laundering in the Cayman Islands. The revised document included current risks associated with high risk countries, individual entities and financial products.

The 18 month report that has just been tabled also notes the Monetary Authority's commitment to elevating the Cayman Islands status as a respected jurisdiction through active involvement in international regulatory organisations, such as the Offshore Group of Banking Supervisors, the Caribbean Group of Banking Supervisors, the International Association of Fraud Agencies and the Offshore Group of Collective Investment Scheme Supervisors, and the Offshore Group of Insurance Supervisors for which the Monetary Authority's Head of Insurance Supervision, serves as a Secretary.

Membership of these bodies enables the Monetary Authority to keep abreast of international regulatory developments and ensures the Cayman Islands a voice in the development of new standards.

The Authority drafted bilateral memorandum of understandings (MOUs) between itself and regulators in four jurisdictions and a multi-lateral MOU to cover the cross-border supervision arising out of the merger of two retail banks. It further carried out its cooperative mandate by assisting in 11 non-routine overseas regulatory requests from nine overseas regulatory authorities and its money laundering officer reporting filed 52 suspicious activity reports, with the financial reporting authority.

The Monetary Authority played a pivotal role in the retrospective due diligence exercise working with the Financial Secretary and the Attorney-General to address the issue of enforcement of the requirement for institutions to identify existing clients under the Money Laundering (Regulations) 2000. The high standard of supervision the Monetary Authority exercises was independently confirmed by the International Monetary Fund in September 2003, in its preliminary report on the regulation and supervision of Cayman Islands financial industry. The IMF reported finding good evidence of a developed compliance culture.

Mr. Speaker, the 18 months under review were extremely challenging for the management and staff of the Authority. The organisation has seen significant growth in staff numbers to accommodate the increased volume of business activity. In addition, the many changes taking place throughout the organisation have resulted in fluctuations in staff numbers. Nevertheless, the Monetary Authority has retained high quality employees.

As part of its goal to strengthen all areas of the Authority, a proactive and rigorous professional development programme was employed in an effort to intensify employees' awareness to best practices and trends within their respective areas. As a result, during the reporting period, many members of staff from all levels achieved various certifications and attended a variety of training courses. The management and each member of staff must be commended for adapting to the many changes that occurred whilst remaining committed to ensuring the effective oversight of the Island's financial services industry.

Mr. Speaker, I thank you.

**The Deputy Speaker:** I will now call on the Honourable Third Official Member.

#### **The 2004 Cayman Islands Compendium of Statistics**

**Hon. G. Kenneth Jefferson:** Thank you, Mr. Speaker. Mr. Speaker, I beg to lay on the Table of this Honourable House The 2004 Cayman Islands Compendium of Statistics.

**The Deputy Speaker:** So ordered.

Would the Honourable Member wish to speak thereto?

**Hon. G. Kenneth Jefferson:** Yes thank you, Mr. Speaker.

Mr. Speaker, I am pleased to have tabled the 2004 Cayman Islands Compendium of Statistics. Mr. Speaker, the issuance of statistics that matter is an important part of open and transparent government. The public has a right to know information pertaining to the Cayman Islands.

The data in the Compendium, Mr. Speaker, is in three main areas: namely, Macro-economic Data; Sectoral Data, and Social Data. As the Compendium, Mr. Speaker, contains 124 pages of in-depth information, I will not attempt to detail all areas, but instead I will highlight data in key areas.

I would like to comment on the first of these three main areas: **Macro-economic data.**

Gross domestic product (GDP). Real GDP growth was 0.9 per cent in 2004, compared to 2 per cent in the previous year. Mr. Speaker, references made in the Compendium to 'years' refer to calendar years.

Inflation: Consumer inflation increased by 4.4 per cent in 2004, compared to 0.6 per cent in 2003.

Unemployment: The unemployment rate was 4.4 per cent in the fall of 2004 compared to 3.6 per cent in the fall of 2003.

The prime lending rate: The Cayman Islands prime lending rate in the fourth quarter of 2003 was 4 per cent and this increased to 5.25 per cent in the last quarter of 2004.

Trade: The value of imports increased from CI\$553.5 million in 2003 to CI\$722.4 million in 2004. Exports decreased from CI\$4.3 million in 2003 to CI\$2.1 million in 2004.

Secondly, I would like to comment on **Sectoral Data.**

Financial services: Mutual fund registrations increased from 4,808 in 2003 to 5,932 in 2004. Insurance licences increased from 672 in 2003 to 722 in 2004. Total companies registered increased from 68,078 in 2003 to 70,133 in 2004.

Tourism: Cruise ship arrivals declined marginally, from 1.8 million in 2003 to 1.7 million in 2004. Stay-over arrivals declined from 293,517 in 2003 to 259,929 in 2004.

Construction: The value of planning approvals increased from \$273.9 million in 2003 to \$470 million in 2004.

Real estate: The value of real estate transfers increased from \$326 million in 2003 to \$339.2 million in 2004.

Thirdly, Mr. Speaker, I wish to comment on **Social Data.**

Population: The Cayman Islands estimated resident population declined from 44,144 in the fall of

2003 to 36,340 in the fall of 2004. A survey which will be conducted in the fall of 2005 is expected to show that the estimated population will have returned to pre-Hurricane Ivan levels.

Population growth: Population declined in the fall of 2004 by 17.7 per cent compared to a growth in population of 2.7 in the fall of 2003. The reversal of this trend is also expected once the fall 2005 survey is carried out.

Birth Rate: The birth rate per one thousand of mid-year population decreased from 14.3 in 2003 to 13.8 in 2004.

The student-to-staff ratio: This ratio gives an overall statistic that represents the number of students in relation to the number of teachers for all levels of education ranging from reception to secondary school levels. The student-to-staff ratio increased, slightly, from 12 in 2003 to 12.3 in 2004.

Mr. Speaker, the 2004 Cayman Islands Compendium of Statistics provides a wealth of both new and previously published information about our Islands. I will arrange for the production of a series of wallet-size cards of key statistics, entitled '*Cayman Islands at a Glance*', to be produced. The Economics and Statistics Office will send copies of these cards to all Honourable Members. These cards provide a succinct and useful reference of information about the Cayman Islands.

Mr. Speaker, I would recommend that all Honourable Members, when using the Compendium, start by reviewing page one. Page one provides the key statistics about the Cayman Islands at a very high level. Further detailed information about a particular item on page one can be obtained by reference to the contents page, which will provide the page number for more detailed information about a particular item shown on page one.

Mr. Speaker, to conclude, I would encourage all businesses and residents to obtain a copy of the Compendium because it contains relevant information about the Cayman Islands. The Compendium not only contains information that businesses will find useful in planning and making decisions, but it also contains information that residents will find educational and informative.

Thank you, Mr. Speaker.

### **The Second Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year ended 30 June 2005**

**The Deputy Speaker:** I call upon the Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Mr. Speaker.

Mr. Speaker, I beg to lay on the Table of this Honourable House, the Second Supplementary Annual Plan and Estimates for the Government of the

Cayman Islands for the Financial Year ended 30 June 2005.

**The Deputy Speaker:** So ordered.

Would the Honourable Member wish to speak thereto?

**Hon. G. Kenneth Jefferson:** Mr. Speaker, I will comment on the Second Supplementary Annual Plan and Estimates when you invite me, at a later stage, to speak on the Second Reading of the Supplementary Appropriation Bill. Therefore, Mr. Speaker, I do not need to comment on the document at this point.

12 September 2005. All those in favour please say Aye. All those against, No.

**Ayes.**

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

**At 11.42 am the House stood adjourned until 10 am 12 September 2005.**

## STATEMENTS BY HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

**The Deputy Speaker:** I have received no notice of any statements.

## GOVERNMENT BUSINESS

### BILLS

#### FIRST READINGS

##### **The Supplementary Appropriation (July 2004 to June 2005) (No. 2) Bill, 2005**

**The Clerk:** The Supplementary Appropriation (July 2004 to June 2005) (No. 2) Bill, 2005.

**The Deputy Speaker:** The Bill is deemed to have been read a first time and is set down for the Second Reading.

##### **The Emergency Powers (Amendment) Bill, 2005**

**The Clerk:** The Emergency Powers (Amendment) Bill, 2005.

**The Deputy Speaker:** The Bill is deemed to have been read a first time and is set down for the Second Reading.

I will now call on the Honourable Leader of Government Business for the Motion for the adjournment.

## ADJOURNMENT

**Hon. D. Kurt Tibbetts:** Mr. Speaker, I beg to move the adjournment of this Honourable House, until 10 am Monday, 12 September.

**The Deputy Speaker:** The question is that this Honourable House do now adjourn until 10 am Monday,



**OFFICIAL HANSARD REPORT**  
**MONDAY**  
**12 SEPTEMBER 2005**  
**10:30 AM**  
*Second Sitting*

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

**The Deputy Speaker:** This morning, in light of our one year anniversary of the devastation of Hurricane Ivan, we are privileged to have with us Rev. Randolph Turner and the Rev. Dr. Roderick Hewitt, moderator of the United Church in Jamaica and the Cayman Islands. At this time I ask them to lead us in prayer.

**PRAYERS**

**Rev. Randolph Turner:** Let us pray.

*We come to you gracious God mindful of this moment, mindful of the place in which we are gathered where the business of this nation is discussed, and as we pause to give thanks the memory of an event which transformed and challenged the lives of people in this nation, we ask your presence with us as we contemplate for a while that which we give thanks for. May you remind us of some very important things and may we seek to live our lives, and may we as people within this nation seek to build community as you have reminded us of coming out of this event. We pray also that those responsible for the process of Government would be led by you as the process of rebuilding takes place.*

*Hear us now, we ask, in Jesus' name.*

*Amen.*

I just want to remind us for a few moments of some very important things which are necessary for us to contemplate at this time of thanksgiving. A year ago a very traumatic event took place. The force of nature came upon the people of this land in a way that was never expected, never even contemplated; and one year after much work has been done in terms of the process of rebuilding. But one year after, also, we need to remember and recognise that there are many who still carry the scars of that moment; that there are many who still bear the hurt of that moment; that there are many within our land who have not yet started the process of rebuilding, not only the physical process of rebuilding, but even the emotional and psychological process of healing in their lives. I have encountered people in the last week who said to me they did not want to remember and it was their way of trying to block out the trauma of the moment.

As we give thanks, God invites us to build, to strengthen and to hold as important to us the spirit of community which was rediscovered over the experience of Hurricane Ivan. Additionally, we are being reminded that even as we rebuild that spirit of com-

munity, God invites us to ensure that in the process of rebuilding we look out for those who may be left behind. It is very possible that as we rebuild and as we attend seeking to bring back normalcy to life here there are those who may slip through the cracks and as we give thanks for God's blessings, for life and for God's goodness poured out on us, may we never forget those whom we need to help to put back the pieces of their lives together and to get to a place where they can face that traumatic event and find strength from God's presence in the midst of that.

May these principles guide us in our thanksgiving and guide us in our lives over the ensuing year.

I invite the moderator to offer prayers of thanksgiving and to commit us as a people to God as we continue this process of rebuilding.

**Rev. Dr. Roderick Hewitt:** Let us pray.

*Loving God we pause to say thanks and express our gratitude to you for your many blessings on this nation. You brought this nation into being and you called your people to honour and serve you. Now, one year after that horrific experience with Hurricane Ivan, the leaders of this nation, those whom you have chosen, are here to offer on behalf of the people of this nation, their thanks to you.*

*Great is our God and greatly to be praised.*

*Loving God we thank you that even in the midst of the storms of life, you never abandon your people. Jesus has established that example, he stood in the storm and said to the wind and the waves, 'Be still.' And that is what we ask of you now, for all those who are still going through difficult times let them hear your voice, 'I will never leave you, I will never forsake you.'*

*For this Legislative Assembly and for your people who are gathered here we pray for your Holy Spirit, Loving God, that you will lay your hands on each one. Let your anointing be on each person, let each one hear your voice, 'I have chosen you to be the symbol of truth of righteousness.'*

*We pray, O God, for all the people of this land. We ask that throughout the weeks, months and years ahead you will let them know that they belong to you and it is your purpose and desire for them to experience life in all its fullness.*

*On this anniversary of Hurricane Ivan, may we also pause to remember the people around the world, especially those in the southern part of the United States suffering from Hurricane Katrina and, O Lord, we pray that they will experience your loving care and the outpouring of love from the people here in the Cayman Islands and other people around the*

world, that they may come to realise that you will not forsake them during their times of difficulty.

*So, loving God, as we close this prayer we claim your promise, 'I will never leave you, I will never forsake you.'*

*So may the grace of our Lord and Saviour, Jesus Christ, the love of God, the fellowship of the Holy Spirit, be will all the people of this beloved land.*

*In Christ's name we pray.*

*Amen.*

#### **Proceedings resumed at 10.38 am**

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

### **READINGS BY THE HONOURABLE SPEAKER OF MESSAGES AND ANNOUNCEMENTS**

#### **Apologies**

**The Deputy Speaker:** I have received apologies for absence from the Honourable Speaker of the Legislative Assembly, the Fourth Elected Member for West Bay, the Third Elected Member for George Town and also from the Honourable Leader of the Opposition, the First Elected Member for West Bay.

#### **House Visitors**

**The Deputy Speaker:** Before I call on the Honourable Leader of Government Business for the statements, I want to acknowledge the students and teachers from Grace Christian Academy, years six, seven, eight and nine. It is quite fitting that we have the students from Grace Christian Academy with us on this anniversary of Hurricane Ivan, that being one of the schools that was severely damaged and not able to start their classes back until this current school year.

We are happy and thankful that they could be here sharing this thanksgiving session with us. We would also like to give notice that right after the statements we will be having a suspension and at that time we are inviting the students and the staff to come down to mix and mingle with the Members of the Legislative Assembly.

I now call on the Honourable Leader of Government Business.

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

#### **First Anniversary of Hurricane Ivan**

**Hon. D. Kurt Tibbetts:** Thank you, Mr. Speaker.

On behalf of the Government, I, too, would like to welcome the students here this morning. I am sure we will all be happy to talk with them during the suspension.

I also wish to say a special thank you to Rev. Turner and Dr. Hewitt for gracing us with their presence and invoking God's kindness on us this morning.

Thank you both very much.

Mr. Speaker, a year ago today, at this very moment in time, we were being battered by one of the most severe hurricanes in modern times. But this anniversary is not a time of commiseration; rather it is a time of celebration of the spirit of the people of the Cayman Islands. As a people we can justifiably savour the sweet taste of satisfaction in having so valiantly risen to the enormous post-Ivan challenges. It was not when we waded out of our houses that we thought it was going to be easy.

I vividly recollect, as perhaps most of us do, emotions tinged with much uncertainty and, indeed, fear. Only a very few among us may have ever experienced such devastation. It was absolutely new terrain and it was strewn with unimaginable obstacles and a tremendous amount of anxiety. But as difficult as those days were, the devastation that Katrina has brought about in the United States—the world's strongest superpower—puts our own Ivan experience in a new perspective.

We have watched with heart-wrenching horror the triple disaster in the three Gulf States of Louisiana, Mississippi and Alabama, especially the city of New Orleans. We have watched the impact, the flooding resulting from failing levees; and, indeed, we have watched the anarchy that subsequently took over.

When we look at this, how could we do otherwise but give glory to God for His mercies? When we look at ourselves, except for two tragic lives lost, we still have each other. And thank God that we are able, just 12 months later, to face the future with confidence.

We have much cause to reflect on our recovery and the courage and generosity of our people. But we must also embrace this anniversary as an opportunity to assess the state of our recovery. In doing so, I will speak briefly about our economic recovery. I will examine, as well, our progress in the important sphere of mitigating future disasters. But most importantly, as we have heard from Rev. Turner and the Moderator, I must also speak to the plight of those who are still in the process of rebuilding. Indeed, there are some who have not yet acquired the resources to even begin that process.

First, in terms of our economic recovery, I think everyone agrees that it is remarkable that these three small Islands can already look with confidence to the future. We have several optimistic markers of recovery. For example, statistics tell us that:

- Post-Ivan Government revenues fell less than 1per cent.

- GDP growth was predicted at 6.5 per cent for the fiscal year 2005. And that is expected to return to more evenly and better placed 3 per cent to 4 per cent post-reconstruction.

- Moody's, an international credit-rating agency, carried-out its annual assessment of the Government of the Cayman Islands financial performance and its financial position, along with a consideration of the Cayman Islands economy, in July 2005 (two short months ago).

That assessment concentrated on the financial performance of the Government, its financial position, its fiscal policies along with the financial management edicts in the Public Management and Finance Law. The rating assigned by Moody's of AA3 signifies that the Government of Cayman Islands is independently adjudged by Moody's as having an excellent ability to repay its debt obligations. Despite the difficulties the Islands faced during and after Hurricane Ivan, the 2005 rating given by Moody's has remained unchanged since 1989.

How remarkable it is, given that the United Nation's Economic Committee for Latin America and the Caribbean (the famous ECLAC Report we always refer to) assessed damage at some US\$3.9 billion. This was a higher figure than that for the combined losses of Grenada, the Bahamas and Jamaica feeling the effects of Ivan. But rebound we did!

In that regard, I must take a moment to thank all those organisations locally and internationally who have contributed to our recovery. Our massive recovery effort has benefited from the support and sacrifices of our churches, many local service clubs, voluntary organisations, businesses and, indeed, many private individuals both here and abroad. I choose not to attempt to call names, mostly for fear I will forget to call one of them.

In all, the response has been a touching reminder of the high regard in which the Cayman Islands is held by its residents and friends overseas. It is also a tribute to the goodwill of a community that has always sought to take care of its own. Indeed, it is a tribute to the wonderful partnership that exists among the business community, the government and the people of the Cayman Islands. And, Sir, when I say "the people of the Cayman Islands" I mean all of the people of the Cayman Islands.

While we are, by and large, in what might be considered to be a good place one year later, the crisis is not yet over. Homes on Grand Cayman are still under reconstruction. There are still among us persons living in unsafe and almost uninhabitable conditions. There are many cases of homes so devastated that what is left of them will have to be demolished and rebuilt.

Those of us who have been more fortunate must not forget those people who still lack housing; those with tarpaulins still over their heads; and those who are still purchasing generator fuel on a daily basis. Assisting those people must remain our priority.

We must see them through. We must commit ourselves as an island nation to bringing relief to genuine cases. We must ensure that all of our people are supported as they make their way on the path to recovery. Simply put, we must not and we cannot leave them behind.

Here is where I wish to continue the appeal to the private sector for support of the National Recovery Fund. I pause to say a special thank you to the private sector for the tremendous response to the Telethon held on Saturday night—\$1.97 Million was raised and for that I am sure we are all very grateful. But it is not over. And as much as we would like to say a job well done and leave it at that, the job was well done but that was only part of the job and there is still a bigger job to be completed.

The National Recovery Fund anticipates that there will be several hundred more requests for assistance in the rebuilding of homes which were totally destroyed by Ivan. So far, donations to the fund have amounted to some \$7 million (almost \$9 million by today), some \$2.5 million of which is a loan that will either have to be repaid in part or wholly.

The combined Cayman Islands Development Bank Administered Fund and the National Recovery Fund have so far helped approximately 1,000 families to rebuild. That is significant against a background in which some 1,500 uninsured homes were devastated.

Just last week the National Recovery Fund received applications for the reconstruction of 130 homes. They anticipate another 300 will be coming in soon. These are the homes for which the original \$15,000 limit that was set would do very little. Estimates call for at least another \$15 million to complete the reconstruction for those remaining homeless. And Sir, that does not include those who are experiencing tremendous difficulties, those who were supposed to be insured but suddenly found out that the insurance company no longer existed. So it is still a daunting task.

While our recovery could be classed in the realm of the miraculous, on this first anniversary of Ivan I plead that we dig a little more deeply not only into our pockets but into our minds, because, while we need the financial resources to do the job, as we have already heard, there are many scars that need healing and it is going to take each and every one of us to support each other to be able for us to get past that.

We need this final push to win the race. We can do this—it really is not such a long way to go either. Let us keep the faith and the partnership that we have going, because I believe that we can now say that we are on the home stretch.

In the arena of mitigation against future disasters, the Government is earnestly working on enhancing our National Hurricane Preparedness Plan. An emergency management agency is in an embryonic phase; a comprehensive recovery plan for all types of disasters is in progress. We are reviewing and upgrading building codes; we are continuously seeking

to improve hurricane shelters, and we are making necessary upgrades to our air- and sea-port facilities. The Government continues to focus on improving our national preparedness and on strengthening our physical infrastructure.

I urge this morning that we take on board the fact that mitigation is not the exclusive job of Government. All of us, each and every one, must focus on this need. We must all inform ourselves of the actions necessary to safeguarding our own personal environments and families. I plead that we leave what remains of our mangroves intact. I am going to repeat that, Mr. Speaker: I plead that we leave what remains of our mangroves intact. Anyone who wishes to determine the value of that system simply needs to fly a plane and look where the mangroves exist (even though they are torn and battered at present). Look at the damage done where those mangroves exist and look at the damage done where they no longer exist, it is [like] night and day.

I also plead that careful consideration be given to the setbacks from the ocean, not just in terms of the high watermark, but, again, it is obvious that we have to embrace higher standards. Mr. Speaker, let me be very clear when I say I plead. The Government is going to do its job, but I preface what I am saying now because there will be hew and cry about how we are being too harsh in the standard set. Experience taught us that after the storm . . . many of us forget it happened until the next one happens again. This time, Sir, the Government is going to continually remind the people by addressing those issues, so that we never forget and we are always better prepared.

As an island community, our building design must reflect mitigating factors, especially for homes near or on the oceanfront. Those building on reclaimed land must make provision for flooding by elevating the ground floors, another obvious factor. The Government has been, and will in the future be strengthening our public information and education programmes.

We will shortly launch a dedicated disaster communication website, [www.caymanprepared.ky](http://www.caymanprepared.ky). We will soon be distributing throughout our Islands, a 'Resident's Disaster Information Kit'. We also hope to launch a campaign that will focus on specific behaviour and information to maximise safety and protection in disaster conditions. All of these elements are key in mitigating future disasters—disasters that we hope and pray to God will never come our way, but which (as Ivan has taught us) we must prepare for. We must continue efforts to support the recovery of all members of our population, matching if not exceeding, the pre-Ivan conditions.

Today, our Government pledges that we will do everything in our power to ensure that those who are still struggling to recover will, by God's grace, be in a much better place before the next anniversary of Ivan. We can take courage in that goal in this last dash to the finish line, as the UN delegation from

ECLAC said, "**Countries, like the Cayman Islands that have suffered such devastating blows have inevitably emerged stronger and better positioned.**" We are confident today, Mr. Speaker, that we will not disappoint those who have gone through it, we, too, will be able to stand alongside and say, 'We are stronger, we are better positioned' after we get to that finish line.

As John Quincy Adams said, "Courage and perseverance have a magical talisman before which difficulties disappear and obstacles simply vanish into thin air." In perhaps less eloquent but more colourful language, another writer said, "There are a lot of fellows with all the ability to play in the major leagues but somehow they always get stuck in the minor leagues because they haven't got the guts to climb."

We, the people of the Cayman Islands, have demonstrated all throughout our history that we have the guts to climb and we have the resilience to stay there when we climb. For our part, future generations might look back and recognise Ivan's strike as among the worst of times, but I believe that our people's magnificent recovery will decidedly class these post-Ivan years as, perhaps, among the best of times.

Mr. Speaker, let me say on a very personal note here that I have been through it all with every one else. I know that many of our own people are still suffering. I know that there are constraints all around, whether it be the Government's financial resources, supply of material . . . there are always hitches and we will continue to have them, but we are going to stay with the programme.

I believe that once more this nation will continue to rise as these three Islands move together with its people as one and, that, Sir, is the one ingredient that will guarantee the success story to come, if all of our people move together as one.

Thank you.

**The Deputy Speaker:** I now call on the First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Mr. Speaker.

I would like to tender apologies on behalf of the Honourable Leader of the Opposition, who is currently off the Island with a family member for medical reasons. He did ask me yesterday to make this presentation on behalf of my colleagues, himself, and the Opposition, in the capacity of being the past Minister during the time we experienced Hurricane Ivan.

Permit me also to convey our most sincere thanks to the Reverends present here with us this morning, for their effectual and fervent prayer. I would only ask that they continue to daily remember this Parliament as they go about God's will, indeed these Islands. I also wish to pause to give thanks to Almighty God, for having brought these three Islands safely through.



This, then, is somewhat of a bitter-sweet exercise. I know, as you full well know, Sir, that the last year has been extremely difficult for all of us here in the Cayman Islands. Our lives, our families, our homes, and even our dreams were interrupted and in some cases destroyed by the tremendous force of nature. One year ago Ivan-the-Terrible zeroed in on Grand Cayman, gaining strength from the warm Caribbean Sea and became an extremely dangerous hurricane. Some say it was a category three hurricane. Some say it was a category four, and some even say it was a category five. Who really knows? But one thing for sure, its sustained winds caused much havoc in our beautiful Cayman Islands. Suffice to say, the fury of Ivan will long be remembered, and so it should be. Mr. Speaker, as you are well aware we were hit hard, our people suffered much and some still continue to suffer.

Hurricane Ivan was an incomprehensible catastrophe; a nightmare; a calamity which resulted in much frustration and, indeed, much fear and anxiety. September 11 and 12 are days which I am sure no one will easily forget. Hurricane Ivan—the sixth largest and most powerful hurricane on record—visited our little Islands, and more directly the Island of Grand Cayman. After over twenty long hours, our people, our residents, our friends, emerged to what can be best described as unimaginable damage and indiscriminate devastation. Indeed, Hurricane Ivan has been viewed by many as the unwelcome equaliser.

Approximately, 95 per cent of our structures in Grand Cayman were damaged. There was much less damage on Cayman Brac and Little Cayman, but nonetheless, quite dramatic for those persons concerned as well. Our people, residents, investors, friends, all suffered significant losses and endured very difficult and trying conditions. Many of our residents and new Caymanian status holders illustrated remarkable generosity, compassion and, indeed, proved themselves to be a very productive and necessary part of our community.

On behalf of the Opposition, I should express our sincere gratitude for the outstanding performance by the various international organisations, residents and friends, private sector organisations, churches, civil servants and volunteers during Cayman's time of need and utter devastation. In particular, I wish to thank the men, women, boys and girls on Cayman Brac and Little Cayman, who rose to the occasion and responded by meeting many of the needs of our brothers and sisters on Grand Cayman. For this we are eternally grateful.

Mr. Speaker, so many worked day and night, unselfishly to assist in our time of need. I am reliably informed that on some days up to 60 planes, mostly privately owned, provided much needed supplies to our Caymanian people and residents alike. Words, then, cannot truly express our feelings of gratitude to all who assisted, both within and from outside these Islands in our time of need.

If I had a list, Mr. Speaker, indeed I would personally write to all of them expressing our thanks. Indeed, it is also possible that I may have forgotten to list a particular group or category, so I would at this junction, Mr. Speaker, beg pardon as it was not intentional.

I am personally proud and indeed impressed, with the level of camaraderie and good will that has been shown by all of our people, especially during and shortly after Hurricane Ivan. God knows, this is what is needed if we are going to continue to successfully build and recover in these Islands.

One year ago, the Government led by the Honourable McKeeva Bush had to make important decisions with respect to our economy and our citizens. In our opinion, this action protected jobs that were at risk and maintained strong financial and investor confidence. We thank our financial partners for their loyalty and commitment to the recovery and rebuilding process.

The Opposition also wishes to thank the three Official Members of Cabinet and the Cabinet Secretary for their most valuable advice and looks to them for to continue to provide such sterling contributions to our beloved Country.

We moved quickly to hire world renowned disaster experts to assist us with the arduous and difficult clean-up efforts after the devastation caused by Hurricane Ivan. As soon as the Government's power was restored by the Governor, the firm of James Lee Witt Associates was retained by the Government to assist in the recovery process. Ironically, it is also my understanding that Mr. James Lee Witt was recently hired by the Governor of Louisiana as a consultant to help Louisiana recover from the tremendous loss caused by Hurricane Katrina.

For the record, Mr. Speaker, the Honourable Leader of the Opposition, and my other honourable colleagues from this side of the House, would wish to express sadness at the devastation faced by the people of the Gulf States affected by the said Katrina. Our prayers and thoughts are continually with them.

The Cayman Islands still have a long and difficult road ahead, but we need to continue moving forward in order to rebuild bigger and better. There are many challenges, but none of them are insurmountable. We, in the Opposition, believe that if we are to successfully meet these challenges the Government will need clear strategies and tools and strong decisive leadership to make it happen.

I truly admire the leadership displayed by my good friend, the Honourable Member for the district of East End, in the recovery process of his beautiful area. It is going to take this type of tenacity, determination and strong leadership, which is fully engaged in the effort—someone who is decisive and almost 'Churchillian'; someone who is not uncomfortable and out of tune on the ground; someone to lead the charge as he has successfully done and continues to do in East End.

Mr. Speaker, from a national perspective our middle class has been pushed closer and closer to the economical strata in the lower stratum and there are many economic pressures on our people. For example, the expensive insurance premiums, the high rental cost, increased mortgage payments, increased cost of basic necessities (for example, food, electricity, gasoline) and unemployment are just but a few of which are adding to this stress. Perhaps the Government will consider temporarily removing and/or reducing the tax on gasoline in order to help reduce the high cost of living for our Caymanian people and residents alike.

The Opposition also believes that there are many, many, lessons, that can be learned from Hurricane Ivan. Therefore, we on the Opposition would wish to take some time to share the same. We believe that is necessary for any response to be quick! It is also necessary and essential to know what you are dealing with, who is in charge and the need to help and not hinder recovery efforts.

There is a need to work in tandem with the clean-up and recovery process. We need to maximise available resources and learn to deploy them immediately. Our level of preparedness and response should not be a storm to darken our horizon. Preparation should be measured up to the threat. We need to be better able to rapidly move supplies to stricken areas. We need to decentralise district responses. I believe that we should establish teams with powers to make decisions in the six electoral districts in our country.

Each district in Grand Cayman should be self-sufficient for three-to-five days and on the Sister Islands for at least seven days. We believe that search and rescue plans (if existing) should be published and the public should be very familiar with them. We believe that there should be search and rescue teams and grids for the six districts. Medical resources are very important during the time of the hurricane as we learned during Hurricane Ivan experience. For example, refrigeration for insulin for diabetic patients should be available at all shelters.

We need to reevaluate the power of commanding and prevent the possibility of any abuse thereof. We need to consider whether the time has come for mandatory evacuation and, if so, for what areas. We need to look at the feasibility of evacuation to the Brac if conditions so warrant. There are advantages of being in the same jurisdiction, higher elevation, there is a quick turnaround time, but this option would also require the establishment of more hurricane shelters on the Brac.

We need to look at bureaucracy, the red tape, to see whether or not they help and, if so, they should be retained; if they hinder they should be removed—as was done with [Mr.] Brown of FEMA in the United States—quite swiftly.

How can we reduce and prevent the breakdown of communications during the state of emergency? Certainly, on the Brac the experience from the

breakdown of our radio system meant we had to resort to the use of our blowhorn going from district to district using volunteers—perhaps primitive, but effective.

We need to consider whether or not we are prepared. Is the Government ready for civil disorder in the middle of a tragedy? How will we, in the Cayman Islands Mr. Speaker, deal with dead bodies, God forbid? How will we cope? What is the capacity of our morgues? Is it sufficient? Is there a plan for a quick mass burial? I believe there should not be any bungling, bickering and bureaucracy; the crab-in-the-bag syndrome should be non-existent in times of catastrophes. We need to question the disappearance of key personnel which only complicates responses and is totally inexcusable, as did happen with the policeman in Little Cayman—the only policeman at the time.

We need to have a plan to take care of the needs of persons on the front-line that still have to run the country in a time of emergency. It should not just be a plan to take care of the Governor, or it should not just be at the discretion of the National Hurricane Committee; it should be clearly set out and with their involvement. In the wake of Hurricane Ivan's aftermath, cleaning crews were needed and have been used to converge on all affected districts in the Cayman Islands.

At this juncture, Mr. Speaker, I wish to interject that I was recently in Ft. Lauderdale for the passing of Hurricane Ivan, and it was absolutely amazing to see the difference in attitudes of residents there and that shortly after the passing of the said hurricane every single resident on the blocks on which we lived, came out and cleaned their own respective yards. Within six hours that whole entire neighbourhood was cleaned. It was immaculate without having to rely on the resources of the Government. I believe that if we can start to educate and cultivate the attitude of more of our people, in the future we would not have to expend millions and millions of dollars out of general revenue for something which can be a personal exercise.

We believe we should also look at the effects of social breakdown which will inevitably occur in disasters and then law and order are always the first steps of recovery in such circumstances.

Hurricane Ivan was a wakeup call on human behaviour in times of crisis. As a country are we really prepared to respond? If not, as a matter of urgency we must be preparing. More supplies need to be stockpiled on higher ground in the various districts. Insurance has proven to be extremely problematic. We believe the way forward, perhaps, would be establishment of consumer and customer protection legislation. Government could perhaps also look at the feasibility of a system similar to that of CINICO, which could provide affordable insurance that would be capped, for example, at a maximum payout of \$50,000 for those in the specified categories.

The Cayman Islands purports to be deeply religious, and in all of this we need to encourage and support our churches that minister to spiritual and emotional needs which give peace and comfort and hope to our people, especially in times of disaster. Lest we forget, God is still God; He is still in control, and He still loves all of us. In the way forward, God can help our people build their foundation, not just for today but, indeed, for the rest of their lives even through eternity.

Mr. Speaker, the Government's challenge, therefore, today and in the immediate future, is to bring into focus the same foresight, determination and hard work that have brought us thus far and to maintain our friendly spirit, and to properly rebuild our country in the shortest possible time. Hurricane Ivan was able to significantly snatch our tangible assets but with the grace and mercy of Almighty God, it did not steal our spirits, our determination, our resilience and will to recover and rebuild our beautiful Islands to a position which will be even better than our pre-Hurricane Ivan's position.

Today, we in the Opposition salute indeed we honour the many people who risked their lives to save the lives of many during and after Ivan. This has been a very stressful process for all involved and although 12 months have now passed we will never forget the bravery and the wisdom of the Caymanian people and residents alike.

With your kind permission, Mr. Speaker, I wish to leave us with this poem composed by Edgar Guest, entitled 'Time for all to pull together'.

I watched them tearing a building down,  
 a gang of men in a busy town.  
 With a heave Ho and a lusty yell,  
 they swung a beam and a side-wall fell.  
 I asked the builder are these men skilled  
 and the men you'd hire if you were to build?  
 He gave a laugh and said "No indeed,  
 unskilled labor is all I need.  
 They can easily wreck in a day or 2,  
 what builders have taken a year to do."  
 And I thought to myself as I went on my way,  
 which of these roles have I opted to play?  
 Am I a builder who builds with care,  
 measuring life by rule and square?  
 Patiently doing the best I can,  
 ordering things to a well-made plan?  
 Or am I a workman that walks the town  
 content with the "labor" of tearing down???

Mr. Speaker, I thank you for this opportunity to speak on behalf of my colleagues on the Opposition. May Almighty God continue to bless these Cayman Islands.

Thank you.

**The Deputy Speaker:** Thank you.

At this time, I, too, on behalf of this Parliament, would like to thank the Reverend Randolph Turner, and the Right Reverend Dr. Roderick Hewitt, and I also that the press for their coverage of this morning's [sitting].

At this time we will now suspend for a fifteen minute break to allow Members to speak with students from the school and also to allow the press to make their exit before the rest of the [sitting].

**Proceedings suspended 11.24 am**

**Proceedings resumed 12.10 pm**

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

I have been given notice of statements by the Honourable Member responsible for Tourism. I now recognise him.

### **Spirit Airlines**

**Hon. Charles E. Clifford:** Thank you, Mr. Speaker.

Spirit Airlines has been exploring the feasibility and local interest in providing non-stop scheduled jet service from the United States to the Cayman Islands. I am pleased to inform this Honourable House that this past Friday afternoon I was advised that Spirit Airlines confirmed its decision to start year-round daily service on 9 February 2006 from Ft. Lauderdale to Grand Cayman.

Mr. Speaker, for those who are unfamiliar with Spirit Airlines, I provide the following basic facts about Spirit:

- It is the leading low cost carrier to the Caribbean, the Bahamas and Latin America;
- It offers two-class service featuring all-leather interior coach service on Airbus aircraft and Spirit Plus business class;
- It operates a fleet of Airbus A319s, A321s and MD-80s aircraft. It will transition to all new Airbus fleet by the end of 2006;
- It is the largest privately owned airline in the United States;
- It has 2700 employees;
- It serves 26 destinations with 125 daily flights; and
- It is headquartered in Michigan, USA.

I am pleased to report that Spirit Airlines made its decision despite the fact that its request for a waiver of landing fees and airport charges for the first six months was not approved by the Cayman Islands Airport Authority. In keeping with this Government's stated policy, and in recognition of the fact that we have a National Flag Carrier, we will not subsidise the operational expenses of foreign carriers.

Mr. Speaker, I am equally pleased to report that Spirit Airlines has responded positively to my request for them to consider a partnership with our National Flag Carrier, Cayman Airways, and, to date, one very positive meeting has taken place with the Chair-

man of the National Carrier's Board of Directors. It is my expectation that Cayman Airways will remain open to the potential partnership and both carriers will work together to increase the benefits to the Cayman Islands.

Additionally, Mr. Speaker, the Cayman Islands Government and the private sector, including the Cayman Islands Tourism Association and the Chamber of Commerce, are providing marketing support for Spirit Airlines which will ultimately translate into additional visitors to our shores. The Department of Tourism, the Cayman Islands Tourism Association and the Sister Islands Tourism Association will work closely with Spirit's marketing team to develop aggressive consumer, trade and media programmes to drive business to the Cayman Islands for this upcoming winter. The Chamber of Commerce and local travel agents will work together to help the Department of Tourism coordinate local efforts.

Mr. Speaker, in their proposal to start service to Grand Cayman Spirit Airlines outlines a number of additional benefits to the Cayman Islands, for example:

1. Year-round daily jet service to South Florida's most modern and convenient airport, Ft. Lauderdale International, with inbound and outbound connections to 11 of the largest travel destinations in the United States including, Metropolitan New York, Southern New Jersey, Washington, DC, and Detroit.
2. Tourism and economic benefits derived from having the first established low cost carrier service in the Cayman Islands marketplace.
3. A strong, successful new partnership with which to promote the Cayman Islands, and some vehicles for his promotion include:
  - a. "Spirit Vacation" packages.
  - b. Promotion on Spirit Airline's web site including their cyber specials.
  - c. Support on sponsorship of the Cayman Islands at industry trade fairs, work shops, and seminars.
  - d. Co-operative sponsorship of trade media and consumer advertising campaigns.
  - e. Sponsorship of FAM trips for qualified travel agents and visiting journalists.
  - f. Promotion via direct marketing to Spirit's customer database.

Mr. Speaker, there is no doubt that Spirit Airlines entry into the Cayman market will create additional competition for all other carriers servicing our destination, including Cayman Airways. But it is also recognised that this competition will create the environment which will drive additional business to our destination.

In conclusion, Mr. Speaker, the Cayman Islands welcome Spirit as our most recent tourism partner. We see their decision to launch service as further evidence of renewed confidence in the Cayman Islands and that our recovery efforts following Hurricane Ivan are progressing as planned. The destination is

poised for positive growth and it looks forward to the contribution the additional air service will make to the economy.

Thank you, Mr. Speaker.

**The Deputy Speaker:** I recognise the First Elected Member for Cayman Brac and Little Cayman.

### Short Questions— Standing Order 30 (2)

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Mr. Speaker. I rise under Standing Order 30(2) to ask two brief questions.

**The Deputy Speaker:** Yes, under Standing Order 30, I will allow two brief questions.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you.

Mr. Speaker, I wonder if the Honourable Minister responsible for Tourism would say whether any attempts were made to encourage Spirit to do at least one direct flight from Ft. Lauderdale to the Brac?

**The Deputy Speaker:** The Honourable Minister for Tourism.

**Hon. Charles E. Clifford:** Mr. Speaker, the answer to that question is, no. We have some challenges at this point in Cayman Brac, as the Honourable Member is well aware. It is primarily in relation to out-bound flights and the inability to dispatch flights from Cayman Brac directly into the United States because the necessary screening equipment is not currently available. So, we have not had those discussions, but certainly if the demand is there and we ultimately put the equipment in place, I am sure that Spirit will be more than happy to look at that market and allow that to happen.

Thank you, Mr. Speaker.

**The Deputy Speaker:** Thank you, Honourable Minister.

The second question?

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Mr. Speaker.

I wonder whether the Minister is in a position to say what economic impact, if any, it will have on our National Airline, Cayman Airways, especially as it related to the Ft. Lauderdale-Cayman route. If he is not in a position to do so, would he undertake to pass on this information at a more appropriate time?

**The Deputy Speaker:** Honourable Minister of Tourism.

**Hon. Charles E. Clifford:** Thank you, Mr. Speaker.

I am not in a position to give that information at this point because we simply do not know. We have had discussions with Cayman Airways. We have had

discussions with Spirit. I believe that there are opportunities for certain partnerships, as I mentioned earlier, with Spirit. We know for example, that Spirit will require ground handling service, which is a service offered by our National Flag Carrier, and there is also the potential for code sharing. In relations to the discussion we had with them they seemed very receptive to that idea.

So, while there will be challenges for the National Flag Carrier, Mr. Speaker, and it will certainly create competition and draw some passengers from Cayman Airways; Spirit has provided the assurance to us and has demonstrated to us in more ways than one, that to a large extent the passengers they will be bringing to Cayman are going to be incremental. They have (what we refer to in the industry) people who have brand loyalty, and will be following the brand. Therefore, we believe persons who may not have considered the destination before will consider it now because of the start-up of Spirit's service.

Clearly, the economic benefits to the country as a whole, in my view, will be significant and will improve the arrival numbers and generally the tourism industry.

I believe, Mr. Speaker, that the National Flag Carrier and other carriers that currently service the destination will have to adapt and adjust to the competition. I also believe that the efficiency audits, which I commissioned in relation to Cayman Airways, are going to be quite revealing, and at the end of the day, perhaps competition like this is what will provide the impetus for the National Flag Carrier and the other airlines servicing the destination (other legacy carriers) to be more efficient and competitive.

**The Deputy Speaker:** Thank you, Honourable Minister. I will now call on you to give your second statement.

#### **Government Assistance - Hurricane Katrina**

**Hon. Charles E. Clifford:** Thank you, Mr. Speaker. As we are all aware, the Gulf Coast of the United States was recently devastated by Hurricane Katrina. Indeed, the Honourable Leader of Government Business and the First Elected Member for Cayman Brac and Little Cayman, made reference to this in their presentations this morning. As we adjust to the change in circumstances here as we continue to recover, and as we see the devastation that has taken place in the Gulf States, we see that there is a need to assist.

As we have just commemorated the one-year anniversary of our own natural disaster, Hurricane Ivan, we have fresh images of the real hardship that those communities face. In such a time, the economic status of a country is almost inconsequential as its people struggle to satisfy the same basic needs, physically, emotionally and spiritually.

The Cayman Islands has long been marked by a spirit of giving, no doubt a spirit rooted in our Christian heritage. As a Government, we have considered ways that we might demonstrate our sympathy for the inconceivable hardships they face. We are also aware that there are hundreds of homes in the Cayman Islands still in need of repair and we have an obligation to continue the restoration of and for Caymanian families.

In balancing these realities, the Government is prepared to offer what limited assistance it can. In consideration of the charitable donations that have taken place locally for the Hurricane Katrina victims, the Government is prepared to offer the use of Cayman Airways to operate relief flights carrying needed supplies. These supplies will have to be privately donated and coordinated. To that end, we have spoken with the Chamber of Commerce who has agreed to investigate the possibility of working with others such as the Red Cross. If sufficient supplies are collected for the victims of Hurricane Katrina, then Government will purchase the services of Cayman Airways to fly these goods to the affected region.

I want to stress, that Government's offer is one of transport, should the need arise, to transport charitable supplies to the Gulf Coast. The Government will pay for up to two flights to be operated by our National Carrier. We know the difference Cayman Airways made in our own country with saving lives and transporting goods that dramatically improved our living conditions in those few weeks. We think it is most fitting that we should share this blessing with another in their hour of need.

I thank you, Mr. Speaker.

#### **PRESENTATION OF PAPERS AND OF REPORTS**

**The Deputy Speaker:** The Honourable Minister of Tourism.

#### **The Cayman Islands Development Bank Report for the Year ended 30 June 2004**

**Hon. Charles E. Clifford:** Thank you, Mr. Speaker.

I beg to lay on the Table of this Honourable House, The Cayman Islands Development Bank report for the Year ended 30 June 2004.

Thank you, Mr. Speaker.

**The Deputy Speaker:** So ordered.

Would the Honourable minister wish to speak thereto?

**Hon. Charles E. Clifford:** Thank you, Mr. Speaker.

It has been a year full of challenges and opportunities as the Cayman Islands Development Bank (CIDB) continued to build a solid foundation. Significant strides were made during the fiscal year 2004 notably of which were the continued enlargement of

the bank's loan portfolio, the acquisition and implementation of a new banking software system, and the engagement of an HR consultant to restructure the organisational structure of the bank.

The loan portfolio grew by 60 per cent, from \$4.4 million to just over \$7 million at the close of the year under review. Acquisition of a new banking system, Real-time Integrated Banking System (RIBS) at a cost of \$114,000 was seen as integral to improve customer service and decision making. Training of staff was included to ensure that they reaped the full benefits of the system. Toward the end of the fiscal year, the bank engaged the services of a consultant to carry out a review and to develop an organisational structure and human resource development plan.

One of the primary aims of such restructuring of the bank is to ensure that CIDB remains competitive in the marketplace, thereby attracting professional, highly qualified young Caymanians to join the team at the bank and provide the service levels expected from the institution. In addition, this exercise will place the bank on a firm footing as it maintains its autonomy as a statutory financial entity.

As the CIDB becomes a key player in the economic development of the country, it will also seek to become a self-sufficient entity without direct support from other government agencies.

Thank you, Mr. Speaker.

### **Suspension of Standing Order 24 (5)**

**The Deputy Speaker:** The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Mr. Speaker.

On behalf of the Government, I beg to move the suspension of Standing Order 24 (5), and upon your later invitation I will then make a brief explanation as to why the suspension is desired.

**The Deputy Speaker:** The question is that Standing Order 24 (5) be suspended. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Standing Order 24 (5) suspended.**

## **GOVERNMENT BUSINESS**

### **BILLS**

#### **SECOND READINGS**

**The Supplementary Appropriation (July 2004 to June 2005) (No. 2) Bill, 2005**

**The Deputy Speaker:** The Honourable third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Mr. Speaker. I beg to move the Second Reading of a Bill entitled, The Supplementary Appropriation (July 2004 to June 2005) (No. 2) Bill, 2005.

**The Deputy Speaker:** The Bill has been duly moved, does the Mover wish to speak thereto? I will also extend that invitation at this time for the explanation.

**Hon. G. Kenneth Jefferson:** Mr. Speaker, I think I will take up your offer and briefly explain why the suspension of Standing Order 24 (5) was sought, Sir.

There is an upcoming Government Motion (although not on today's Order Paper) that pertains to the issuance of a deed of indemnity for the Board of Directors of Cayman Airways Limited. The Motion was approved by Cabinet last Wednesday (7 September) and was sent to the Legislative Assembly on Friday, 9 September.

Mr. Speaker, Standing Order 24 (5) requires that not less than five clear day's prior notice must be given in respect of the Motion. This five clear day's prior notice must be sent or given before the start of the meeting of the House at which the Motion is to be considered. The present Meeting of the House began on 29 August. This meant that the Motion would have had to have been sent to the Legislative Assembly on 24 August, at the latest. And as I have just said, the Motion was sent to the Legislative Assembly on 9 September. The Government wishes to consider the Motion at this Meeting of the House. Therefore, in order to consider the Government Motion at this Sitting of the House it was necessary to seek the suspension of Standing Order 24 (5).

This Motion is relatively simply and is well known to all Honourable Members, as it pertains to a matter that has been dealt with consistently for many years in the past. So, the fact that the Motion was delivered to the House on 9 September, as opposed to 24 August, in the Government's view does not do any significant injustice to Honourable Members. Therefore, that was the background explanation for which the Government sought the suspension of Standing Order 24 (5), and to which the House has graciously approved.

Mr. Speaker, I would now wish, Sir, with your permission to continue on The Supplementary Appropriation Bill before the House.

Mr. Speaker, two weeks ago, on 29 August, I laid on the Table of this Honourable House, The second Supplementary Annual Plan and Estimates for the Government's financial year that ended 30 June 2005 and I shall refer to that financial year as 2004/2005.

Section 8 of the Public Management and Finance Law dictates that Government cannot incur or record any expenditure in its financial statements, without the approval of the Legislative Assembly. That

approval is normally provided by the Legislative Assembly passing an Appropriation Bill into law for a particular financial year. On 7 June 2004, the Legislative Assembly passed the Appropriation (July 2004 to June 2005) Law. That Law empowered the Government to incur certain expenditures, set out in the Law, for its 2004/2005 financial year.

Mr. Speaker, certain events will occur after the passage of an Appropriations Law, for a particular financial year, which will result in government needing to incur expenditures not set out in that Appropriation Law. Hurricane Ivan was one such event. In order for the Government to legitimately incur expenditures during the course of a financial year that are not already contained in an Appropriation Law for that year, the Legislative Assembly must pass a Supplementary Appropriation Bill into Law that contains the additional expenditures that Government needs to incur during that financial year. This dictate is stated in section 25 of the Public Management and Finance Law.

When Hurricane Ivan occurred in September 2004, the Government at the time, wished to incur certain expenditures that were not contained in the Appropriation Law passed by the House on 7 June 2004. To comply with the Public Management and Finance Law, Government brought the Supplementary Appropriation (July 2004 to June 2005) Bill, to seek the Legislative Assembly's approval of that Bill, in order for Government to incur expenditures not in the initial Appropriations Law passed by the House on 7 June 2004.

Mr. Speaker, that Supplementary Bill was passed into law by the Legislative Assembly on 18 February 2005. After that date, in fact in April 2005, additional decisions were made by the Government at the time principally to combat the adverse effects of Hurricane Ivan. Those decisions were made under the authority of section 12 (5) of the Public Management and Finance Law, and as required by section 12(6)(b) of the same Law, such decisions need to be included in Supplementary Appropriation Bill.

Such decisions have been included in the Supplementary Appropriation Bill that is now before the House.

The main decisions made under section 12 (5) of the Public Management and Finance Law, and for which approval is now requested in this Supplementary Bill, are as follows:

- An additional \$4.9 million for hurricane debris removal. This is shown on page 4 of the Green Bill, as 'Output Group No. CB0 4'.
- There is an additional \$1 million sought for the provision of repairs and restoration to houses. This is also shown on page 4 of the Green Bill, as 'Output Group Number DVB 4'. This assistance (DVB 4) was administered by the CIDB on behalf of Government.
- There is also an additional \$0.97 million requested in the Bill for hurricane relief assistance. This is shown on page 5 of the Green Paper version of the Bill, as 'Transfer Payment TP18'. This assistance was ren-

dered by district committees set up on Grand Cayman for that specific purpose.

- There is a \$0.775 million additional request sought in respect of assistance to help in repair of numerous churches on Grand Cayman. This is shown as TP19 on page 5 of the Bill.

Mr. Speaker, all of these items have been classified as extraordinary items. The above items are some of the individually significant positive numbers that appear in the Supplementary Appropriation Bill. Positive numbers in the Bill reflect the fact that approval for additional appropriations is sought from the Legislative Assembly.

Honourable Members will note that The Supplementary Appropriation Bill also contains negative amounts and may wonder why it is necessary to include negative figures in the Schedule to the Bill. Section 25(3)(b) of the Public Management and Finance Law, states that Supplementary Annual Plan and Estimates shall include 'changed appropriations', that is, changed from the existing Appropriations Law for 2004/2005.

The Portfolio of Finance supported by submissions from other Ministries and Portfolios, took the view that in order to comply with the spirit of section 25(3)(b), significant negative appropriations ought to be included in the Bill, for the Legislative Assembly's knowledge. Negative Appropriations simply reflect the fact that Government agencies plan to under utilise or to under spend an existing appropriation.

There are two main captions in the Bill that relate to negative appropriations. These are:

1) Equity Investments: Appropriation decreases are being sought for the Ministry of Education, Human Resources and Culture of \$4.7 million and \$1.2 million for the Portfolio of Finance and Economics. These decreased investments are the result of the deferral of capital projects to the 2005/2006 financial year.

2) Executive Assets: Due to the impact of Hurricane Ivan several major road development projects that were initially planned for the 2004/2005 financial year were deferred to future financial years, hence there is a \$4.2 million decrease sought to the appropriations in this particular category.

Mr. Speaker, there are two other items on the schedule to the Bill that are significant. Firstly, on page 5 of the Green Bill, the schedule shows under the caption "Appropriation for Other Executive Expenses" and amount OE40 "write off of insurance proceeds \$20 million." The \$20 million represents the difference between the agreed settlement amount for the damage to Government's property caused by Hurricane Ivan and the amount which the Government's insurer was able to pay.

Such a differential has to be recorded in Government's financial statements as it represents a loss in value to the Government. One way of reflecting this is to record the differential as expenditure and hence the Bill seeks an appropriation for this purpose.

Another material amount in the Bill is \$1.5 million in respect of Past Service Pension Liability. This item is also shown on page 5 of the Bill, under the caption "Appropriation for Other Executive Expenses." The initial appropriation for Past Service Liability is \$10 million—so the cumulative figure will become \$11.5 million, if the Bill is passed into Law.

Past Service Pension liability payments are made by Government in order to reduce and eventually remove the present gap between the value of pension benefits accrued to public servants and the assets to support the payment of such benefits.

Mr. Speaker, there is a connection between the Supplementary Appropriation Bill now before the House and the second Supplementary Annual Plan and Estimates that I laid on the Table of the House 29 August. The second Supplementary Annual Plan and Estimates provide a greater level of detail and information to the figures that are shown on the Schedule to the Bill. As an example, the figures shown on the Schedule to the Bill are also stated on pages 67 to 69 of the second Supplementary Annual Plan and Estimates. However, the second Supplementary Annual Plan and Estimates (starting at page 13 thereof) provide more detailed information in the same sequence as the appropriation items appear in the Bill.

The structure and content of the second Supplementary Annual Plan and Estimates for the 2004/2005 financial year is similar to that of the first Supplementary Annual Plan and Estimates that was presented to the Legislative Assembly in February of this year.

The second Supplementary Annual Plan and estimates for 2004/2005, has three parts. Part A contains details of changes to the Annual Plan and Estimates; Part B indicates requested appropriation changes; and Part C contains the draft financial statements for the 2004/2005 year. Honourable Members will also ponder the financial impact of requested appropriations shown in the Bill.

The draft financial statements for the year ended 30 June 2004/2005 start at page 71 of the second Supplementary Annual Plan and Estimates document. These draft financial statements were prepared as of 22 August 2005, and have not as yet been audited. The financial statements incorporate the appropriation requests made in the Bill now before the House. Therefore, the financial impact of the Bill's requests is given by those draft financial statements.

Page 79 of the second Supplementary Annual Plan and Estimates indicates that Government had an Operating Surplus of \$25.5 million. The Operating Surplus is stated before Extraordinary Items. This Operating Surplus is \$27.2 million better than the forecast Operating Loss of \$1.7 million that was estimated in February 2005 when the first Supplementary Annual Plan and Estimates were presented. Mr. Speaker, such a significant improvement in the operating results reflects better than expected revenues

and the prudent financial management exercised in the public sector.

In the months immediately following Hurricane Ivan, ministries and portfolios reprioritised their expenses and concentrated their efforts on the rebuilding and restoration efforts. Consequently, many agencies saw a reduction in their overall operating expenses during 2004/2005. After accounting for Extraordinary Items of \$62.2 million, the overall draft net deficit for 2004/2005 is \$36.7 million.

Mr. Speaker, I would like to make some comments on Extraordinary Items. Since the first Supplementary Annual and Estimates were presented to the House in February 2005, appropriations are now being sought in this Bill for certain additional increases to Extraordinary Items since that date, and these additional items are, briefly, as follows:

- Additional Extraordinary Outputs totaling \$6.0 million;
- Additional Extraordinary Transfer Payments of \$2.0 million;
- Additional Extraordinary Operating Expenses incurred by Statutory Authorities and Government Owned Companies of \$5.0 million; and
- An Extraordinary Other Executive Expense of \$20 million incurred as a result of a negotiated property insurance settlement as I outlined earlier.

These additional amounts total \$33 million; and when added to the February 2005 forecast figure of \$29.2 million, the Extraordinary Items total \$62.2 million for the 2004/2005 year. Extraordinary Items of \$62.2 million are indicated at page 79 of the second Supplementary Annual Plan and Estimates.

International Public Sector Accounting Standards define "Extraordinary Items" as "income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the enterprise and, therefore, are not expected to recur frequently or regularly." Therefore, Mr. Speaker, I want to stress that these Extraordinary Items are one-off in nature and do not reflect the Government's ongoing fiscal policy.

Mr. Speaker, when Extraordinary Items of \$62.2 million is subtracted from the Operating Surplus of \$25.5 million, there is a resulting overall draft net deficit of \$36.7 million for the 2004/2005 financial year. The overall draft net deficit of \$36.7 million is slightly larger than the \$31 million net deficit that was forecast in February for the 2004/2005 financial year. Given the magnitude of the damage caused by Hurricane Ivan and the Government's valiant attempt to counter the effects of such damage, it should be appreciated by everyone that an overall net deficit would be inevitable for the 2004/2005 year. What is important is that the Government achieved a healthy Operating Surplus of \$25.5 million on its ongoing and regular operations.

On page 63 of the second Supplementary Annual Plan and estimates also shows that for the



2004/2005 financial year, there has been full compliance with the principles of responsible financial management as established in the Public Management and Finance Law—despite the extraordinary challenges in the year.

To conclude, Mr. Speaker, the Bill now before the House should be viewed as a necessary tidy-up procedure. The items included in the Schedule to the Bill emanate principally from Hurricane Ivan related matters and represent Extraordinary Items rather than an ongoing position.

I wish to publicly thank all officers that have contributed to the production of this second Supplementary Annual Plan and Estimates for the 2004/2005 year. In particular, I wish to thank the staff of the Budget and Management Unit, Treasury Department, all Chief Officers and all Chief Financial Officers of the Ministries, Portfolios, Statutory Authorities and Government-owned companies. I respectfully ask that all Honourable Members support The Supplementary Appropriation Bill (July 2004 to June 2005) (No. 2) Bill, 2005, now before the House.

Thank you, Mr. Speaker.

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

I recognise the Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Mr. Speaker.

This second Supplementary Annual Plan and Estimates for the financial year 2004/2005, and the accompanying Supplementary Appropriation Bill now before the House, outline further changes to the Government's Annual Plan and Estimates (AP&E) since the presentation of the first Supplementary AP&E for the 2004/2005 to this Honourable House back in February 2005. The majority of changes which are reflected in this Supplementary Appropriation Bill are a direct result of Hurricane Ivan and the attempts to remedy the effects of the hurricane.

The decisions to incur further extraordinary expenses in the 2004/2005 financial year, after the approval of the first Supplementary Appropriation Law in February were made by the previous Cabinet, prior to the General Elections in May of this year. These decisions as has been explained were made pursuant to section 12(5) of the Public Management and Finance Law and reflected the policy decisions of the Cabinet in place at that time.

The main purpose of this second Supplementary Appropriation Bill is to regularise those decisions which require changes to the approved appropriations for that year and to update the Government's AP&E to reflect these decisions.

The major items included in this second Supplementary Appropriation Bill that require increased appropriations are:

- \$4.9 million being requested to cover expenses incurred for hurricane debris removal under, Output CB 04;
- \$1.0 million being requested to fund housing repair grants to residents affected by Hurricane Ivan, such grants being administered by the CIDB on behalf of the Government. This appropriation request is shown under Output DVB 04 and is named 'provision of repairs and essential restoration to houses'.
- \$0.78 million being requested to cover the cost of providing assistance for the repair of hurricane damaged churches on Grand Cayman;
- \$0.97 million being requested to cover the cost of providing additional hurricane relief assistance to residents through the district assistance committees.

In addition to these items, the second Appropriation Bill also includes (as you have just heard from the honourable Third Official Member) an appropriation of \$20 million for the write-off of property insurance proceeds—that is, proceeds that would have been to the Government. This write-off is an accounting entry which recognises the portion of insurance proceeds forgone by the previous Government as part of a negotiated insurance settlement with government's insurers.

Once all of these transactions have been taken into account, Government's draft financial statements for 2004/2005 financial year that are given in the second Supplementary AP&E indicate, as you have already heard Sir, an operating surplus before the Extraordinary Items of \$25.5 million. Furthermore, Government has been able to able to maintain full compliance with the principles of responsible financial management.

Mr. Speaker, I have kept my remarks deliberately brief because the Bill has already been expounded upon in great detail by the Honourable Third Official Member. I believe, and I am sure Members—especially the Second Elected Member for West Bay—would see it as an inefficient use of time to repeat these points.

*[Laughter]*

**Hon. D. Kurt Tibbetts:** I ask that Honourable Members give their support to the Supplementary Bill before them today. The Bill represents simply a tidy up exercise which must be done in order to comply with the Public Management and Finance Law.

**The Deputy Speaker:** Honourable Members, I propose that at this time we take the luncheon suspension. We will resume at 2 pm.

**Proceedings suspended 12.55 pm**

**Proceedings resumed 2.42 pm**

**The Deputy Speaker:** Please be seated.

Proceedings are resumed. Does any other Member wish to speak?

The Second Elected Member for West Bay.

**Mr. Rolston M. Anglin:** Thank you, Mr. Speaker.

The second Supplementary Annual Plans and Estimate presented to this Honourable House by the Honourable Third Official Member is one that I believe will be able to be dispensed with rather quickly, simply because the majority of it (as he and the Honourable Leader of Government Business have already said) is really a matter of a clean-up exercise than anything else. However, I think I would be remiss if I did not offer a few brief remarks and observations.

When we came to this Honourable House in February of this year and dealt with Supplementary Annual Plans and Estimates, there was still a lot of uncertainty in the air in terms of Government's financial position—more importantly, Government's projected financial position, given the fact that we were in the throes of the recovery process. Whilst we still are recovering, I believe that there is now a greater sense of normalcy for our residents and, indeed, for the Government.

It is encouraging to hear the report that the Honourable Third Official Member has provided to the House in regard to the operating surplus that has been realised in the June 2005 year end. I think it illustrates that the country is in a good position strategically from a financial position. That, of course, is borne out by the fact that Moody's has maintained our longstanding credit rating. It speaks volumes that the financial affairs of the country have been handled prudently and that the fiscal tone that has been in existence for the past 40 to 48 months or so has reaped much reward.

What is much more impressive is the fact that our economy, as small and as uncertain as it may seem, does show the type of resiliency that we all hoped it would if challenged—and challenged we have been! We have been challenged by great external factors, by terrorist attacks, by wars, by world economic slowdowns. And yet, even when we were challenged in a way that we had never been challenged before economically in the history of the Cayman Islands, that is, having built up an economy and an economic system that provided great employment and education opportunities for our people, to have that threatened—and to have it threatened the way it was one year ago with the passage of Hurricane Ivan. To see the way the economy has responded is something that all of us should feel justly proud about. It should instill in us a much greater level of confidence in our economic model and in our economy than we had twelve short months ago.

I believe that if people were asked how Cayman and its economy would respond with three billion dollars worth of damage, very few people would have responded the way the economy responded—which was very positive. There was positive growth in many

sectors despite the challenges we faced in the tourism sector because of the room stock still being at levels that are below the pre-Ivan condition.

I think the majority of people who would be honest would admit that they would have predicted much darker days ahead for the Cayman Islands and much more troubling times for us economically if they were painted the picture of Hurricane Ivan and its impact on us and these three Islands, especially Grand Cayman. I believe that all sectors deserve credit. I believe it speaks volumes for our private sector, in the way that they had to step up, and it speaks greatly of the civil service because as the Honourable Third Official Member also reported to this Honourable House plans had to be changed. There are areas in which monies were not spent, et cetera. But even with all that we still see that economic activity returned and people have picked up the pieces of their lives and are rebuilding. Everyone was impacted either directly or indirectly.

This operating surplus that exists certainly put things in perspective for the country and in perspective for Members of this Honourable House. I therefore offer those as my very brief remarks on this Supplementary Appropriation (July to June 2005) (No. 2) Bill, 2005.

Thank you, Mr. Speaker.

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

Since no other Member wishes to speak, does the Honourable Member wish to exercise his right of reply?

**Hon. G. Kenneth Jefferson:** Mr. Speaker, Thank you very much.

I simply need to thank all Honourable Members for all their support of the Supplementary Bill now before the House.

Thank you, Mr. Speaker.

**The Deputy Speaker:** The question is that a Bill shortly entitled The Supplementary Appropriation (July 2004 to June 2005) (No. 2) Bill, 2005, be given a second reading. All those in favour, please say Aye. Those against, No

**Ayes.**

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

**Agreed: The Supplementary Appropriation (July 2004 to June 2005) (No. 2) Bill, 2005, given a second reading.**

**The Deputy Speaker:** The Honourable Second Official Member.

**The Emergency Powers (Amendment) Bill, 2005**

**Hon. Samuel W. Bulgin:** Thank you, Mr. Speaker.

I rise to present to this Honourable House The Emergency Powers (Amendment) Bill, 2005. Sir, the catastrophic events of last year—

**The Deputy Speaker:** Honourable Member, the Bill has been duly moved, does the Member wish to speak thereto?

**Hon. Samuel W. Bulgin:** Thank you, Mr. Speaker, I should have waited for your invitation.

As I said, Sir, the catastrophic events of last year in the form of Hurricane Ivan presented us all, and indeed this country, with an opportunity to revisit how we should prepare for and manage disasters if we are unfortunate to have to encounter them. The opportunity has been grasped by the Government to examine (among other things) the issue of emergency powers as they exist under the current law. Arising from this exercise it was decided by the Government that a number of provisions should be amended and, where necessary, new ones added.

One of the changes that the Bill is proposing is to bring clarity regarding the point at which an emergency can be declared. As currently worded, The Emergency Powers Law appears to empower the Governor to declare a state of emergency only after a hurricane or some other similar calamity has occurred, that is post-event declaration. Not surprisingly, there are some among us—bright lawyers and others—who question whether it is in order, even in instances where there are hurricanes or other threats bearing down on us, or other imminent threats for a state of declaration of emergency to be made, where the event has not yet occurred. Needless to say, this would be an unsatisfactory state of affairs, as in the Cayman Islands we pride ourselves on being proactive.

Accordingly, the Bill before this House seeks to amend the principal Law so as to expressly provide that a state of public emergency can be declared when there is a threat of such a disaster. For example, where there is a hurricane warning, in the Government's view, that would make the position unequivocal. For some of us we regard this almost as a tidying up exercise. But it is important that the Law is certain, hence the need for the amendment.

Mr. Speaker, the second issue that this Bill seeks to address is that of providing for a process of consultation before the declaration of a state of emergency. At present there is no legal requirement in the Law for the Governor to consult the Leader of Government Business, or, indeed anyone, prior to the declaration of an emergency. This, I must point out, is not meant to be a criticism of anyone. This is the way the Law was written some 41 years ago and it does not bear any of our fingerprints.

The Bill before the House will introduce a new process whereby before the Governor declares a state of emergency he is required to consult with the Leader of Government Business. However, if it be-

comes impracticable to have such a consultation before a state of emergency is declared, the Bill (if it becomes Law) will provide that such a consultation should take place as reasonably practicable after the declaration has been made.

The process of consultation, quite understandably, will ensure that all hands are on deck and there is cross fertilisation of ideas and pooling of resources so that in instances where resources have to be mobilised with the assistance and/or input from others, then there is *ad idem*—all minds are together in doing so.

The *sotto voce* comment is whether that would include all Members of the Legislative Assembly. This Law and the proposed amendment does not address Members who are simply not Members of Cabinet either, but the Law itself makes provisions for regulations to be made and it is the Government's intention that the regulations that will be made will be of such that whoever is being asked to mobilise and given the necessary powers, that those provisions in the regulations would cover participation by Members of the Legislative Assembly. This could be in the form of district committees or some other sort of organisation, but with the necessary legislative remit to get involved in mobilising, distributing or otherwise dealing with hurricane resources, relief and otherwise.

Therefore, the short answer is that the current set of regulations will be revisited and crafted in such a way as to allow for the widest possible participation, which would include all Honourable Members of this House.

Mr. Speaker, I spoke briefly about the requirement for consultation prior to the declaration of a state of emergency. The same process is contemplated where the state of emergency is to be lifted. The Bill, if it becomes law, will require consultation with the Leader of Government Business before lifting the state of emergency. I must just point out that this new requirement is really forward-thinking on the part of the Government, and very sensibly you can understand why. It exists in some other jurisdictions, certainly Bermuda, for example, their constitution requires that there should be a period of consultation prior to the declaration of any emergency.

Another important amendment that this Bill before this House is proposing is to introduce into the Law the concept of compulsory, or some would say "mandatory" evacuation in the instances is where there is imminent threat of disasters, such as a hurricane. We are all aware that even in instances where it is clear that there will be damage to lives and property as a result of the intensity or severity of a hurricane there are persons who are extremely reluctant to leave their homes that are situated in certain areas. Invariably this reticence is born out of the fact that people are apprehensive that if they leave their property behind unprotected, unscrupulous and unsavory characters will prey upon their property, take advantage of it and burglarise. So the reticence is under-

standable. Given the experience of last year just about this time, one can really appreciate those concerns. They are real.

Notwithstanding that, a grim reminder of what happened in places like New Orleans justifies Government taking the view that although Government is not unmindful of the concerns I have just articulated, and although the Government is sympathetic to those concerns, there are times when coercive measures or a coercive approach has to be taken to minimise the loss of lives. So, the Bill before this House provides that the Governor, after consultation with the National Hurricane Committee, or any similar committee as well as any other relevant agency, can issue an order declaring a particular area to be unsafe in instances where there is an approaching hurricane. It follows that the order would go on to say at some stage that persons should be removed from those areas, and persons who would like to enter would certainly be prevented from entering those areas.

Mr. Speaker, a person who without proper authorisation enters or is found in an unsafe area after such a declaration has been made can be convicted of an offence and, depending on the discretion of the court, there is a maximum fine of \$2000 or two years. I might just add for completeness, there is a minimum fine of \$200 (I think), so a person cannot be fined less than \$200.

I made it quite clear that Government is sympathetic to persons who might want to remain behind and re-enter these areas to secure their belongings. However, there are times when persons have to be protected from themselves. I am aware that in the past gentle persuasion has been used to get people to evacuate, and in some cases not so gentle persuasions have been used as well.

Mr. Speaker, those are the main areas of the Bill. I have endeavoured to highlight what I consider to be the justifications on the part of Government for making these amendments. As I said before, there is consideration on the part of Government that once these amendments are enacted we will revisit the regulations that can be made under the Law to include provisions that will ensure the widest possible participation at all levels in respect of mobilising resources as part of the Government's ongoing commitment to improve disaster preparedness, mitigation and management.

So, this particular Bill before the House is but a small step in that ongoing exercise to improve the country's ability to manage and prepare for these disasters. I commend the Bill to this Honourable House.

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

I recognise the First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Mr. Speaker.

I will make my contribution fairly straightforward and very, very brief. It will be more along the lines of seeking elucidation and clarification from my honourable friend, the Second Official Member of this Honourable House.

I commence my remarks by saying that I welcome the majority of the provisions that are set forward by the Government. Perhaps at the conclusion of the debate I may be in a position to welcome all of it (subject to the response from the Honourable Second Official Member). In particular, I welcome the provisions as set out on page 3 of the Bill which widens the power to declare for the state of emergency as we learned our lessons from the last declaration of the state of emergency.

I am happy to see that the Government is, in fact, taking a proactive step to remedy this reoccurrence. I would question, in the interest of the policy which has been put forward—with which I concur, that is, one of an inclusive Government—as to whether Government would consider through primary legislation as opposed to via regulation the inclusion in paragraph 2, page 4, for the requirement (which is a new and very necessary requirement) for the consultation of the Leader of Government Business . . . I am seeing that we are in the party system, whether the Government would give favourable consideration for the addition of consultation to the Leader of Opposition, not having regard as to who the persons are at this particular juncture (roles do change), so that both parties could be represented on a wider cross-section, I would respectfully request that the Government give consideration to this minor but important amendment.

Mr. Speaker, I would also ask the Government if they would give due consideration with respect to the mandatory or compulsory evacuation. As Members would have heard from my remarks this morning, I concur with that power being in place. I would seek a response from the Honourable Second Official Member, if he is in a position to so say, whether or not any other Commonwealth or Overseas Territories jurisdictions have criminalised the offence for breach or failure to obey such an evacuation order.

Secondly, having had the opportunity to look at the provision in the USA, which is of current debate . . . and I beg your permission to make reference to NRS 414.070 which deals with the additional powers of a Governor during an emergency or disaster in the United States. Subparagraph (4) basically gives the power **“To provide for and compel the evacuation of all or part of the population from any stricken or threatened area or areas within the State and to take such steps as are necessary for the receipt and care of those persons.”**

In fact, it is that latter part of their provision that I would ask the Government to give due consideration to, seeing that it has criminalised the offence and they have put the power in for mandatory evacuation.

Certainly, any good government would want to ensure that, having done so, there are provisions for reasonable steps to be taken to receive and care for any such persons, which would also involve in its disaster planning ensuring that there is adequate capacity for such evacuees, should this situation arise.

In addition, I would seek the Honourable Second Official Member to respond as it related to the immunity. I looked, and perhaps I was just not able to find, but in the substantive Law itself (the Emergency Powers Law (1997 Revision)), paragraph 5 deals with exercise of power and good faith not being actionable. It says, **"No proceedings shall be brought against any person for having anything done in good faith in the exercise of any powers conferred by any regulations made under this Part."** I would just query whether or not (because we are setting up a substantive provision of the Law) this will protect any possible liability for actions, or whether we would have to also amend paragraph 5 in the substantive Law to ensure that any actions taken in the event that there was death or injury to persons or damage to property as a result of such a mandatory evacuation, that the Governor and/or persons responsible for giving the order would be exempt or not subject to incurring any liability thereon.

Mr. Speaker, with your kind permission, just for information I would also wish to inform Members who may not have had an opportunity to look online, to give us and the listening public some idea as to what would be encompassed in such an order. Seeing that this is a new provision for us, and people can have a legitimate expectation . . . on Tuesday, 6 September 2005, the New Orleans forced removal was done by their Mayor, basically read as follows, and I would be happy to share if you have not had view of it [it was titled] **"Declaration of emergency order for the city of New Orleans, Mayor Ray Nagin, September 6, 2005 [authorizing the forced removal of remaining residents from the city after Hurricane Katrina.]"** And it states: **"Whereas, the presence of individuals not specifically engaged by the City, State or U.S. Government to assist in the remediation and recovery effort would distract, impede, or divert essential resources from the recover effort. Now, therefore, I as the Mayor of the City of New Orleans, pursuant to [and I'll skip the regulation] . . . do hereby promulgate and issue the following mandatory evacuation order, which shall supercede the Order issued by me on August 28, 2005, which shall remain in effect for thirty days from this date, unless extended by my order . . ."**

In the US they have different laws and regulations, they obviously go ahead and file it into their court. However, I thought it was interesting to see how they set it out and it would give the public an early perception as to what to expect.

Mr. Speaker, with those concerns, I thank you and Honourable Members for your indulgence.

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

The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** The Honourable Second Official Member will deal with most of the points raised by the First Elected Member for Cayman Brac and Little Cayman. However, there is one little point I would like to address regarding evacuation. I am not going to get into specific details, but suffice it to say that primary legislation would not wish to go into all the specific details with regard to . . . for instance with the points that have been raised, the primary legislation would not say (once the Law allows for that) if they are in West Bay, this is where these people would be put up; if they are in George Town, this is where they would be put, et cetera.

I think what the honourable First Elected Member for Cayman Brac and Little Cayman was looking at was to ensure that if the evacuation was mandatory; at the same time it would not be that they were evacuated and just left anywhere. I believe that is what she leading to, and I see nods indicating that is the case. I just wish to say that as the Honourable Second Official Member has stated, the regulations that exist, once the legislation is approved, would have the necessary corresponding sections amended or added to complement whatever legislation is approved to ensure that there would be no gaps in the entire process.

I just take the opportunity to say that in putting the legislation together, thinking of the legislation and using the experiences of a year ago to remedy what existed, all of the things that have been aired were considered. However, the advice was (and I still believe it would obtain) that these other factors would be better placed in the regulations. The legislation itself would only deal with the necessary actions for which one would need legal grounds. The resulting ancillary factors which have to be taken into consideration would be dealt with, and not in a specific fashion, except to say that if evacuation had to take place, then, likewise, secure and proper accommodation would have to be provided during that state—during the time of mandatory evacuation.

The amending legislation that is being proposed, Mr. Speaker, speaks to consultation with the Leader of Government Business prior to declaring a state of emergency, and that is specifically what that section is seeking to do. I would envisage that not by a process of legislation but by common sense we all would get into a huddle to look at the pros and cons to hear the views. However, from a point of view of legislation, when it comes to the chain of command, at that point in time there is a Government, which is why some of the arguments occurred the last time around, if you appreciate what I am saying.

So, I do not think the expectation would be in the primary legislation that is being amended now to

include the entire membership of the Legislative Assembly because by inference that is what you are doing. Although you would only be speaking to two individuals being constitutionally appointed it would translate down to the entire membership of the Legislative Assembly, in the primary legislation. The Leader of Government Business will caucus his own and, likewise, the Leader of the Opposition would be expected to do the same. Therefore, Mr. Speaker, perhaps I can understand the Opposition's request, but I believe that should lie in the consultative process during all the actions that have to take place for the regulations to indicate the participation of all the Elected Members.

Much of what has to be dealt with will be district issues, and many of the actions that have to be taken will be specifically geared for various districts, depending on the needs or requirements at which point in time the Elected Members would certainly need to participate, and the regulations will allow for that. However, we speak to one specific situation, and the Government holds the view (and we thought about the whole thing) that for that specific instance there is a government. It would be for the consultation to be with the Government to declare that.

With regard to all the other actions, I have very great comfort that all Members will be happy with the regulations. Members will be consulted to ensure that nothing has been forgotten in that process, to ensure that the regulations are covered; again, just going by our experiences and learning from others as we go along, but I just wanted to make those two points.

I am tempted to say that I see question marks, but perhaps if there are question marks in the minds of others they can quite readily speak to them.

Thank you.

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

The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Mr. Speaker.

In looking at the primary legislation I must have missed it. I do not see anywhere in the primary legislation where it allows for a state of emergency to be instituted on any of the particular Islands that do make up the Cayman Islands. That is, there could be circumstances that are peculiar to Grand Cayman, Cayman Brac or Little Cayman, for which a state of emergency may be desired for one Island, versus all three. If that is the case, perhaps that is something that ought to be looked at, given the different types of calamities, some of which could obviously be man-made as well as natural. When I was looking at some of the points that I had written down and in listening to the contribution by the Honourable Leader of Government Business, two of those points were encapsulated in that.

The First Elected Member for Cayman Brac and Little Cayman did make reference to the whole issue of evacuees—who would bear the costs, where would they go, et cetera. All I can say on that at this particular time, is that, certainly, we would look to see that in the future this is something that would be rolled up into any sort of segregated funds that are going to be continually set aside in the future for these purposes. Certainly, it may come down to much more than where you are going to put people from a different district or a particular area of the district on the Island, to the question of what to do about evacuations off the Island to possibly another jurisdiction, how that would actually work, and where the costs would be borne.

Mr. Speaker, I certainly like the concept of talking about the Bluff in the event of a hurricane, for example. However, I am not quite certain that that is where I would like to be if an earthquake was to hit Cayman and continual earthquake tremours were to be sustained afterwards. So there are different types of disasters, and when we speak to these issues public expectations sometimes come into play. So we want to make it very, very clear to the public what is going to happen once this legislation is passed so that people do not expect one thing and there is something else in reality—and in some instances a financial reality—in which the Islands may find itself. In other words, we do not want an expectation gap to occur.

Mr. Speaker, I understand the point that the Honourable Leader of Government Business has dealt with in terms of the consultative process. However, I would think that when it comes to these issues, the whole issue as to who is the Government and who is the Opposition starts to become less relevant. What becomes more relevant is that the entire membership of the Legislative Assembly does have the opportunity to know firsthand what is going on.

Now, certainly, I understand this issue about the regulations, but that is something to come. I do believe that when the First Elected Member for Cayman Brac and Little Cayman mentioned the point, she probably did not mean that there would be a meeting between the Governor, the Leader of Government Business and the Leader of the Opposition, and that the Leader of the Opposition would necessarily have any vote, or that there would be any sort of vote. Instead it would be a process to ensure that we are looking at this from a national perspective versus a perspective based on who is on what side at a particular time in the Legislative Assembly.

I believe that is the point to which she was alluding to at that juncture—a fine line. However, again bearing in mind . . . and I appreciate what the Honourable Leader of Government Business has said and he is quite right. Obviously, at all times the country must have a government and there has to be a majority and the majority is who has the majority in Cabinet et cetera. However, as he did point out, he would have had the opportunity, and would have done so by

caucusing with his colleagues. I believe that with this type of legislation and what we are talking about—we are not necessarily talking about an issue where there has to be a majority versus a minority but much more an issue of ensuring that the Legislative Assembly and our system, where there is a majority but the majority sits on both sides of the fence when you are the Government.

The Government controls the Executive and still has membership in the Legislature. The Opposition only has membership in the Legislature—and that is it. So, I believe that her point is a very valid one from the point of view that this, as I would see it, would be a meeting whereby . . . there probably will not be a whole lot of room for error at that point in any event. I suppose if a hurricane is pending and there are predictions as to projected paths, the issue may require a little more thought and debate but in many instances the decision would be made for us and we would have known that we have a condition by which this very serious step has to be taken—that is, a state of emergency having to be called.

Therefore, with those brief remarks I certainly would say the amendment goes a long way in the right direction in terms of where we need to get to in terms of this whole issue of a state of emergency.

Thank you, Mr. Speaker.

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

If no other Member wishes to speak, does the Honourable Third Official Member wish to exercise his right to reply?

**Hon. Samuel W. Bulgin:** Thank you, Mr. Speaker.

Thanks to Honourable Members for their contributions to the Bill. I just put this House on notice, as I have done already, that a committee stage amendment was circulated that we intend to deal with.

A number of issues have been raised during the brief but insightful debate about this Bill so far. In respect to the enquiries from the First Elected Member for Cayman Brac and Little Cayman, the Honourable Leader of Government Business has dealt with the issue of consultation, and I would only wish to add that the position adumbrated by the Honourable Leader will not be unique to the Cayman Islands. In Bermuda, under the Constitution the requirement is for consultation with the Premier. And the Turks and Caicos is another place where there is the requirement for consultation. The Law provides that the decision to declare a state of emergency be taken by Executive Council and the Governor. So, those are the two examples that readily come to hand and consistent with the line taken by the Honourable Leader of Government Business.

Mr. Speaker, in respect of the mandatory evacuation proposal and the issue of the power to compel part of the population from areas and take

such reasonable steps to receive and care for such persons, the point made by the Honourable Leader of Government Business, of course, is that those are issues may be best accommodated in the regulations. As I pointed out in my presentation, the regulation will provide better scope for some of the more detailed procedures to be accommodated on the regulations because they would require not just technical expertise but careful consideration on the part of just about everyone involved in this process.

On the issue of criminalising the omission to heed the order for compulsory evacuation, the Honourable Member for Cayman Brac and Little Cayman enquired as to whether there is any other territory or Commonwealth country that criminalised the failure to do so. Our quick research tells us that there is such a provision in Florida, Australia and Montserrat. As a matter of fact, just recently (last month I think), one of the cases from Montserrat went all the way to the Privy Council on the issue of the Governor's power to declare a state of emergency and not make an evacuation order. The amendment that is proposed in section 3 was as a result of us having read that decision from the Privy Council last month and to take that into account.

On the question of the immunity, the short answer is that as currently drafted section 5 of the principal law would cover any claim for damages that would arise from any action taken as a result of the new provisions that will be put into the Law. We thought long and hard about issues such as tourists on Seven Mile Beach who are forced to evacuate and it turns out the worst does not happen and there is a claim for damages for disrupted holidays. We thought about those things, hence the reason for amending the principal Law itself to include the compulsory evacuation procedure rather than putting that in regulations because section 5 of the current law would cover those claims.

I see the Minister of Tourism taking a closer look and taking a keen interest in this, but that was part of the process that we went through and some of the thinking that informed the way we are going about this particular amendment. So, to answer the Honourable Member's question, the Government and its related agencies would be covered should any steps be taken by anyone who may have their lives disrupted or their properties burglarised as a result of any forced evacuation. The Government would be exonerated, or at least immune, from any claim arising from any such eventualities.

The other point is that if you are asked to evacuate and you refuse to do so then that is a criminal offence so that you are in effect barred (if anything should happen) from making any claims against government because our fall-back position would be that you were in breach of the criminal law and you cannot bring an action against the Government or another party for that matter, if you yourself are in breach of

the law. There is a Latin expression for that, but I am getting too old for that, *non facit* or something.

Yes, as the Minister reminded me, if you are coming to equity you must come with clean hands too.

But you are prevented from bringing those claims where you yourself are not in good standing or you are transgressing the Law. Those are considerations that we had in mind with the proposed amendments now before this Honourable House.

Some of the other issues have to do with what the Honourable Second Elected Member for West Bay has raised (and correct me if I am wrong) as to whether consideration could be given to a declaration of a state of emergency being made that would only apply to Grand Cayman as opposed to Cayman Brac and Little Cayman and vice versa. The short answer to that is that it can be done. The broader consideration is that usually the state of emergency affects civil liberties. That is the whole import of it. Under a state of emergency the Governor, and indeed the Government, has the power, for example, to commandeer supplies and make other orders, for instance, take persons' land and sell it, all sorts of things, just for the purpose of the emergency.

Standing and speaking without having the benefit of consultation with my other Cabinet colleagues, it occurred to me that if you have a state of emergency in one of the Islands as opposed to all three, and there is a situation that arises in Grand Cayman and you need to commandeer supplies from Cayman Brac, because you do not have a state of emergency in Cayman Brac you would be acting unlawfully, by going to Cayman Brac to commandeer gasoline supplies or other valuable necessities to assist with a disaster in Grand Cayman. The reverse is also true. Now how that is mitigated is that under a state of emergency the biggest restriction on civil liberties is where there will be an imposition of a curfew. And Honourable Members will recall that last year we amended the Police Law to allow the Commissioner of Police, even in instances where there is no emergency, to have what we call territorial curfews.

So you can have curfews in Grand Cayman without Cayman Brac and Little Cayman being included, or in West Bay and George Town without East End being under curfew. So in those circumstances we can say there is mitigation; there may be a need for a curfew in George Town but not for Bodden Town, North Side or East End. Therefore, those would be some of the ways in which a state of emergency can be mitigated. But standing on my feet I would caution, and I would certainly be loathe to have a situation in the Law where the emergency does not apply to all three Islands at the same time, just for one of the reasons outlined such as the need to commandeer supplies or make other orders which can be used to mitigate the impact on the other Islands.

However, if this requires further consideration, it does not necessarily have to be today. I am aware as I stand here, that the Government is in the throes

of preparing a comprehensive piece of legislation that is going to deal with disaster preparedness and management and it is being given the highest priority. It might very well be that in the parameters of that legislation, it is possible to include language that can make the separation which would, in effect, mitigate the plight of persons affected by a state of emergency and to deal with the issue of resource allocation and so on.

There are still windows of opportunity that will be available to Government to re-examine this issue down the road. I would propose that we proceed with that consideration in mind.

**The Deputy Speaker:** The question is that a Bill shortly entitled, The Emergency Powers (Amendment) Bill, 2005 be given a second reading. All those in favour, please say Aye. Those against, No.

**Ayes.**

**The Deputy Speaker:** The Ayes have it. The Emergency Powers (Amendment) Bill, 2005 has been given a second reading.

The House will now go into Committee to consider Bills.

**Agreed: The Emergency Powers (Amendment) Bill, 2005, read a second time.**

**House in Committee at 3.56 pm**

## COMMITTEE ON BILLS

**The Chairman:** Please be seated. The House is now in Committee.

With the leave of the House, may I assume that as usual we should authorise the Second Official Member to correct minor errors and such like in these Bills?

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

### **The Supplementary Appropriation (July 2004 to June 2005) (No.2) Bill, 2005**

**The Clerk:**

|           |                          |
|-----------|--------------------------|
| Clause 1. | Short Title.             |
| Clause 2. | Appropriation authority. |

**The Chairman:** The question is that clauses 1 and 2 do form part of the Bill. All those in favour please say Aye. Those against say No.

**Ayes.**

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

**Agreed: Clauses 1 and 2 passed.**



**The Chairman:** Honourable Members, I think there was some misunderstanding on the two Bills. We were actually moving forward on the Supplementary Appropriation, which is not actually for this Committee; it is for Finance Committee.

So, what we are proposing to do is the Emergency Powers, and then we will suspend this Committee and move into Finance Committee and report back to the House to complete.

### **The Emergency Powers (Amendment) Bill, 2005**

**The Clerk:**

Clause 1. Short Title.  
Clause 2. Amendment of section 3 of the Emergency Powers Law (1997 Revision), Issue of proclamation of emergency.

**The Chairman:** The question is that clauses 1 and 2 form part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

**The Chairman:** Clauses 1 and 2 form part of the Bill.

**Agreed: Clauses 1 and 2 passed.**

**The Clerk:** Clause 3. Insertion of section 3A in the Emergency Powers Law (1997 Revision), Compulsory evacuation.

**The Chairman:** We have been given notice of an amendment to clause 3. I now recognise the Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Thank you, Mr. Speaker.

In accordance with Standing Order 52 (1) and (2), I hereby seek to move the following amendments to the Emergency Powers (Amendment) Bill, 2005. The amendments have to do with that Bill being amended as follows: In clause 3, in the proposed section 3 A (1), by deleting the words "and, in every case where such a declaration is made, the Governor shall, in that Order," and substituting therefor the words "and may, in that Order or a subsequent Order,".

The second amendment (which is really a minor amendment) in the proposed section 3A (3) by deleting subsection (1) and therefore substituting subsection (2). May I, with your leave, just explain in one sentence the basis for the first amendment as currently crafted?

What the Bill contemplates is that in every instance where there is a declaration that an area is unsafe, the Governor would be required to also declare that the area be evacuated. What the amendment is proposing is that it can be a two-stage approach. That is, he can make a declaration that the area is unsafe and the circumstances or conditions can still be monitored and depending on the develop-

ment he can then issue a separate order to say that the place should be evacuated. That provides a window of opportunity for the declaration of unsafe area to be made and circumstances to be assessed as time goes along and if it becomes necessary the second order to be evacuated is issued.

Thank you.

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

The question is that the amendment stand part of the clause. All those in favour, please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Amendment to Clause 3 passed.**

**The Chairman:** The question now is that clause 3 as amended stand part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

**The Chairman:** The Ayes have it. Clause 3 as amended forms part of the Bill.

**Agreed: Clause 3 as amended passed.**

**The Clerk:** A Bill for a law to amend the Emergency Powers Law (1997 Revision), to provide for the declaration of an emergency on an account of eminent calamity, to provide for consultation with the Leader of Government Business, to provide for compulsory evacuation and to make provision for incidental and connected matters.

**The Chairman:** The question is that the Title do stand part of the Bill. Those in favour please say Aye. Those against, No.

**Ayes.**

**The Chairman:** The Ayes have it. The Title stands part of the Bill.

**Agreed: Title passed.**

**The Chairman:** The question is that the Bills be reported to the House. All those in favour, please say Aye. Those against, No.

**Ayes.**

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

**Agreed: The Bills to be reported to the House.**

**House Resumed at 3.59 pm**

**The Deputy Speaker:** At this time we will suspend the House until conclusion of Finance Committee.

**House suspended at 4 pm****House resumed at 5.46 pm**

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

I call upon the Honourable Leader of Government for the Motion for adjournment.

**ADJOURNMENT**

**Hon. D. Kurt Tibbetts:** Thank you, Mr. Speaker.

As explained in Finance Committee I move the adjournment of this Honourable Legislative Assembly until 10 am Wednesday, 14 September.

**The Deputy Speaker:** The question is that this House do now adjourn until 10 am, Wednesday. All those in favour, please say Aye. Those against, No.

**Ayes.**

**The Deputy Speaker:** The Ayes have it. This House is now adjourned until 10 am, Wednesday, 14 September 2005.

**At 5.47 pm the House stood adjourned until 10 am Wednesday, 14 September 2005.**

**OFFICIAL HANSARD REPORT**  
**FRIDAY**  
**14 SEPTEMBER 2005**  
**10.09 AM**  
*Third Sitting*

**The Speaker:** I call upon the Honourable Third Official Member to grace us with prayers.

**PRAYERS**

**Hon. G. Kenneth Jefferson:** Let us pray.

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

*Bless our Sovereign Lady Queen Elizabeth II, Philip Duke of Edinburgh, Charles Prince of Wales, and all the Royal Family. Give grace to all who exercise authority in our Commonwealth, that peace and happiness, truth and justice, religion and piety may be established among us. Especially we pray for the Governor of our Islands, the Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council 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.*

**Proceedings resumed at 10.09 am**

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

**Apologies**

**The Speaker:** I have received apologies from the Honourable Minister of Tourism and the Second Elected Member for Cayman Brac and Little Cayman.

**STATEMENTS BY HONOURABLE  
MINISTERS/MEMBERS  
OF THE CABINET**

**The Speaker:** I have received no notices of statements by Honourable Ministers and Members of Cabinet.

**GOVERNMENT BUSINESS**

**BILLS**

**REPORT ON BILLS**

**The Supplementary Appropriation (July 2004 to  
June 2005) (No. 2) Bill, 2005**

**The Speaker:** I call upon the Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

I am to report that a Bill entitled, The Supplementary Appropriation (July 2004 to June 2005) (No. 2) Bill, 2005, was considered by the standing Finance Committee and passed without amendment.

I am also to report that Finance Committee resolved to transfer an amount of \$4,915,500.00 from the Environmental Protection Fund to the operating bank account of the Government in respect of a particular output CB O4—hurricane debris removal.

**The Speaker:** The Bill has been duly reported and is set down for the Third Reading.

**The Emergency Powers (Amendment) Bill, 2005**

**The Speaker:** I call on the Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Thank you, Madam Speaker. (I give apologies for my tardy arrival.)

I beg to report that the Bill entitled, The Emergency Powers (Amendment) Bill, 2005, has been considered by a committee of the whole House and passed with two amendments.

**The Speaker:** The Bill has been duly reported and is set down for the Third Reading.

### THIRD READINGS

#### **The Supplementary Appropriation (July 2004 to June 2005) (No. 2) Bill, 2005**

**The Speaker:** The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Speaker, I beg to move that the Supplementary Appropriation (July 2004 to June 2005) (No. 2) Bill, 2005, be given a third reading and passed.

**The Speaker:** The question is that a Bill shortly entitled, The Supplementary Appropriation (July 2004 to June 2005) (No. 2) Bill, 2005, be given a third reading and passed.

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

**Ayes.**

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

The Supplementary Appropriation (July 2004 to June 2005) (No. 2) Bill, 2005 has been given a third reading and passed

**Agreed. The Supplementary Appropriation (July 2004 to June 2005) (No. 2) Bill, 2005, given a third reading and passed.**

#### **The Emergency Powers (Amendment) Bill, 2005**

**The Speaker:** Honourable Second Official Member.

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

I beg to move that a Bill entitled The Emergency Powers (Amendment) Bill, 2005, be given a third reading and passed.

**The Speaker:** The question is that a Bill entitled The Emergency Powers (Amendment) Bill, 2005 be given a third reading and passed. All those in favour, please say Aye. All those against, No.

**Ayes.**

**The Speaker:** The Ayes have it. The Emergency Powers (Amendment) Bill, 2005 has been given a third reading and passed.

**Agreed. The Emergency Powers (Amendment) Bill, 2005, given a third reading and passed.**

### MOTIONS

#### **Government Motion No. 3/05**

#### **Establishment of a Committee for the Complaints Commissioner**

**The Speaker:** I call upon the Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. I beg to move Government Motion No. 3 of 2005, entitled, The Establishment of a Committee for the Complaints Commissioner.

**The Speaker:** Government Motion No. 3 of 2005 has been duly moved and is open for debate. Does the Honourable Leader of Government Business wish to speak thereto?

**Hon. D. Kurt Tibbetts:** Yes, thank you, Madam Speaker. For the record, although we all have copies I will crave your indulgence to first read the Motion.

The Motion reads as follows:

**WHEREAS section 28 of the Public Management and Finance (Amendment) Law, 2004, states that the Complaints Commissioner shall be accountable to the Legislative Assembly for the performance of the Office of the Complaints Commissioner;**

**AND WHEREAS section 28 of the said Law provides that a Committee of the Legislative Assembly be responsible for overseeing the performance of the Office of the Complaints Commissioner, or if no such Committee exists, the Speaker shall be responsible for same;**

**BE IT NOW THEREFORE RESOLVED that the following Committee of the Legislative Assembly be appointed and approved by the Legislative Assembly in accordance with the provisions of section 28 of the Public Management and Finance (Amendment) Law, 2004:**

**Honourable Alden McLaughlin, Jr.;**

**Mr. W. Alfonso Wright;**

**Mr. Moses I. Kirkconnell, JP;**

**Ms. Lucille D. Seymour, BEM;**

**Mr. Rolston M. Anglin.**

As the Motion explains, there is reason for us to appoint this Committee via this Government Motion. Madam Speaker, I just wish to refer to section 28 to which the Motion speaks, and with your permission I will read a few of the subsections which will clarify the situation. Thank you.

The Public Management and Finance (Amendment) Law, 2004, in section 28 reads: **“The principal Law is amended by inserting after section 44 the following section –**

**“44A. (1) The Complaints Commissioner shall be the chief officer of the Office of the Complaints Commissioner and shall be accountable to the Legislative Assembly for the performance of the Office of the Complaints Commissioner.”**

Then subsection (3) reads: **“(3) Notwithstanding sections 10, 19, 20, 22, 30 and 31, the**

**committee of the Legislative Assembly responsible for overseeing the performance of the Office of the Complaints Commissioner, or if no such committee exists, the Speaker, shall –**

- "(a) be granted the appropriations relating to the Office of the Complaints Commissioner;**
- "(b) in respect of the Office of the Complaints Commissioner, undertake the duties assigned to the Governor in Cabinet or a minister under sections 19, 20(a) and (b), 22(a), 30 and 31;**
- "(c) provide the Financial Secretary with the necessary information in relation to the Office of the Complaints Commissioner to be included in the Annual Plan and Estimates and the Appropriation Bill to be presented in accordance with section 24; and**
- "(d) provide the Financial Secretary with the necessary information in relation to the Office of the Complaints Commissioner to be included in any supplementary Annual Plan and Estimates and the Supplementary Appropriation Bill to be presented in accordance with section 25.**

Then section (3) [of 44 A. (1)] reads: **"(3) In carrying out its duties under this section the committee of the Legislative Assembly responsible for overseeing the performance of the Office of the Complaints Commissioner, or if no such committee exists, the Speaker, shall –**

- "(a) make its decisions in accordance with the budget process established by the Governor in Cabinet under section 17; and**
- "(b) ensure that its decisions are consistent with the principles of responsible financial management set out in section 14(3)."**

Madam Speaker, those subsections in the Public Management and Finance (Amendment) Law, 2004, paint the picture where it clearly states that a committee formed of Members of the Legislative Assembly, shall be the oversight committee for the Office of the Complaints Commissioner and if no committee exists, your good self.

However, as both you and I have discussed, if we are moving to the point where there is autonomy for the Office of the Speaker (with the Speaker, therefore, being the head of the Legislative Department) we would not wish in this context for the Speaker to also have oversight of the Complaints Commissioner's Office because, if I may say so in simple terms, there would naturally exist a conflict with autonomy.

Therefore, as the Law allows for it we did not have to tamper with the Law and correct that situation to regularise it we now come with this Motion to allow an Oversight Committee.

In the other subsections that I read, it clearly sets out the duties of the Oversight Committee. The Oversight Committee, with a legal framework behind it, will now actually be responsible for the allocation of resources for the Office of the Complaints Commissioner and will also be able to literally report on those activities. There may be questions regarding the autonomy, but in the said Public Management and Finance Law, section 80 clearly states, **"Nothing in this Law shall affect the constitutional functions or constitutional independence of the Complaints Commissioner."** There is no conflict in the matter there.

This Oversight Committee has no authority or legal standing in which it might (even if sorely tempted to do so) interfere with the activities and duties of the Complaints Commissioner. Rather, Madam Speaker, the Oversight Committee simply streamlines and facilitates the process of the necessary funding and reporting for the Office.

In explaining all of that, we want to make sure that the Office of the Complaints Commissioner has proper representation when it comes to the budgetary process. This Oversight Committee will be informed so that it will be able to seek the necessary allocations during the budgetary process and be able to justify the need. Let me go on to say that that in itself creates its own checks and balances. That is, while the Office of the Complaints Commissioner must retain its autonomy and its independence, there has to be, like every other office—including the Governor's office—a check and balance with regard to the funding and resources that it has. Hence, the formation of this Oversight Committee through this Motion today.

Let me hastily add that the Honourable Second Official Member has delegated his team to complete the drafting of The Freedom of Information Bill that will be presented in short order. There will be a period of time for public input, but we are moving ahead with that process. I only say that in this forum because I think it is very relevant that people understand that there is a very necessary role for the office of Complaints Commissioner. There is also a very necessary role for this Oversight Committee, and the Freedom of Information legislation, once put in place, will be the third leg of the stool, so that it stands firm.

I certainly recommend this Motion on behalf of the Government and I trust that all Members will see fit to support it.

Thank you.

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

The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, the Motion before us is simple and straightforward, but, as the Honourable Leader of Government Business has pointed out, very necessary. For any agency or arm of

the government process (like the audit office) that enjoys status in the Constitution, there becomes an issue with funding budgetary allocations and being held to account for how those funds are spent, ensuring that during the Budget process, you are not simply left out and left to the will and mercy of those who craft the Budget but instead Members of the Legislative Assembly will clearly understand what it is you are doing, why you need the funding, and be able to approve that Budget beforehand and come to the Assembly (and, more importantly, Finance Committee) to ensure that funding is at least argued for. At the end of the day priorities have to be made and obviously sometimes amounts sought are not practical to be expended.

I am glad that the issue of independence was clearly dealt with because there are those who would think that because there is a link via the Legislative Assembly there would be some encroachment on the independence and the actual activities of the Office of Complaints Commissioner. Therefore, this Committee will serve, just as the Public Accounts Committee serves, as it relates to the Audit Office.

There is nothing more that can be said. This is very simple and straightforward. It goes without saying that I believe the entire House will be supporting this Motion.

**The Speaker:** Does any other Member wish to speak? If no other Member wishes to speak, does the Honourable Leader wish to exercise his right to reply?

The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker.

I sincerely wish to thank the Honourable Second Elected Member for West Bay, for saying everything I said in a different way, but totally agreeing with the Motion.

I thank you, Madam Speaker.

**The Speaker:** The question is, be it now therefore resolved that the following committee of the Legislative Assembly be appointed and approved by the Legislative Assembly, in accordance with the provisions of section 28 of the Public Management and Finance (Amendment) Law, 2004:

The Honourable Alden McLaughlin, Jr.;  
Mr. W. Alfonso Wright;  
Mr. Moses I. Kirkconnell, JP;  
Ms. Lucille D. Seymour, BEM; and  
Mr. Rolston M. Anglin.

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

**Ayes.**

**The Speaker:** The Ayes have it. Government Motion No. 3 of 2005 is duly passed.

**Agreed: Government Motion No. 3/05 passed.**

## **Government Motion No. 4/2005**

**The Public Management and Finance Law (2003 Revision) Issuance of a Deed of Indemnity to the Board of Directors of Cayman Airways Ltd.**

**The Speaker:** I call on the Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

I beg to move Government Motion No. 4 of 2005, captioned: Issuance of a Deed of Indemnity to the Board of Directors of Cayman Airways Ltd. With your kind indulgence, it reads as follows:

**WHEREAS in 1992 and 2003 the Governor in Cabinet and the Finance Committee approved the issuance, to the Board of Directors of Cayman Airways Ltd., of a Deed of Indemnity guarding against the potential liability of members of the Board and allowing the Company to continue to trade despite the Company's difficult financial position;**

**AND WHEREAS the same factors and concerns apply to the existing Board of Directors of Cayman Airways Ltd and the Government is therefore desirous of issuing a similar Deed of Indemnity to members of the existing Board (as per the attached Deed of Indemnity);**

**AND WHEREAS section 9 of the Public Management and Finance Law (2003 Revision) provides that, as a general rule, no guarantee may be given by or on behalf of the Government unless it has been authorised by a resolution of the Legislative Assembly;**

**BE IT NOW THEREFORE RESOLVED THAT the Legislative Assembly hereby authorises the issuance, to members of the Board of Directors of Cayman Airways Ltd., of a Deed of Indemnity guarding against the potential liability of members of the Board of Directors of Cayman Airways Ltd.**

Thank you, Madam Speaker.

**The Speaker:** Government No. 4 of 2005 has been duly moved and is open for debate. Does the Honourable Member wish to speak thereto?

The Honourable Third Official Member?

**Hon. G. Kenneth Jefferson:** Thank you again, Madam Speaker.

The Articles of Association of Cayman Airways Ltd. allow its Board of Directors to be indemnified. As in years past, this was achieved by the issuance of a Deed of Indemnity in consideration of the fact that some personal financial risk may arise on or to the directors. Such risks would normally emanate

from the difficult financial conditions under which the company operates.

The last deed of indemnity was duly authorised by a resolution of Finance Committee in September 2003. However, Government's new Public Management and Finance Law, which took effect on 1 July 2004, requires that the indemnity (which is tantamount to a guarantee) be authorised by a different process. That Public Management and Finance Law requires that the Legislative Assembly (as opposed to Finance Committee) give its prior approval to any guarantee issued by government. This is stated in section 9 of the 2003 revision of the just mentioned Law.

As the Deed of Indemnity is tantamount to a guarantee by government, the Legislative Assembly is being requested to grant approval for the issuance of a Deed of Indemnity to the Directors of Cayman Airways Ltd. Therefore, while there is a change arising from the fact that the process for approving the indemnity has shifted from prior authorisation by Finance Committee to prior authorisation by the Legislative Assembly, the issuance of these deeds does not involve any change as they have been made to previous Boards of Directors of our National Airline.

The Deed of Indemnity is between the Governor acting for and on behalf of the Government of the Cayman Islands and the Board of Directors of Cayman Airways Ltd. The Government of the Cayman Islands is the sole shareholder of the airline. The deed provides that the Government will indemnify the Directors individually and collectively, from and against all actions, proceedings, costs, charges, losses, damages and expenses which the Directors may incur or sustain by reason of any act done in the execution of his or her duty as a Director of the company; except any actions, proceedings, costs, charges, losses, damages and expenses which the Directors may incur or sustain, by or through his or her own wilful neglect or default or gross negligence.

The Deed of Indemnity is effective from the date of the Director's appointment and remains in effect until the Director's removal or resignation. This Motion is of critical importance to permit the new Board of Directors of Cayman Airways to function with the same level of protection that past Boards of Directors have received. Typically, such matters would have been covered by the airline obtaining directors' liability insurance, but given the company's historical financial difficulties, such an approach would not be easily feasible. A Deed of Indemnity from the Government has been the means employed to give the Directors some level of protection.

Madam Speaker, I wish to emphasise that the level of protection does not extend to liability that arises from any wilful neglect, default or gross negligence by any Director. Therefore, the Directors, individually and collectively as a Board, must continue to act as past boards have done, in due care and attention in carrying out their responsibilities.

The Cayman Islands saw the benefit of having a national airline during Hurricane Ivan and the airline undoubtedly continues to make a significant contribution to our economy. The proper management of the airline is essential and this is carried out by its Board of Directors. In turn, the Board of Directors must have some protection from personal financial risk that may arise from the decisions taken in the management of the airline.

The Deed of Indemnity is attached to Government Motion No.4/05. That deed provides the level of protection sought by the Directors. Accordingly, Madam Speaker, I commend Government Motion No.4/05 to all Members of the House, and ask that they support the Motion.

Thank you, Madam Speaker.

**The Speaker:** Does any other Member wish to speak? If not, does the Honourable Third Official Member wish to exercise his right of reply?

The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

Just to thank all Honourable Members for their silent support of the Motion. Thank you.

**The Speaker:** The question is "BE IT NOW THEREFORE RESOLVED that the Legislative Assembly hereby authorises the issuance to members of the Board of Directors of Cayman Airways Ltd, a Deed of Indemnity, guarding against the potential liability of members of the Board of Directors of Cayman Airways Ltd."

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

**Ayes.**

**The Speaker:** The Government Motion No. 4/05 is duly passed.

**Agreed: Government Motion No. 4/05 passed.**

**The Speaker:** That concludes the business before the House.

I will now call on the Honourable Leader of Government Business to move the adjournment of this Honourable House.

## ADJOURNMENT

**Hon. D. Kurt Tibbetts:** Madam Speaker, before I call for the adjournment, I just wish to clarify . . . there is no need for us to hold Finance Committee today? I just want to make sure.

**The Speaker:** No, Honourable Leader, there is no need for a special meeting of Finance Committee. The report of the Committee will be laid on 7 October. The

Honourable Official Member has reported on the proceedings and the resolution that was passed in Finance Committee.

**Hon. D. Kurt Tibbetts:** Thank you very much, Madam Speaker, for that clarification. Hence, I beg to move the Adjournment of this Honourable Legislative Assembly, sine die.

**The Speaker:** The question is that this Honourable House do now adjourn, sine die. All those in favour, please say Aye. Those against, No.

**Ayes.**

**The Speaker:** The Ayes have it. This Honourable House do now adjourn sine die.

**At 10.42 am the House stood adjourned sine die.**



**OFFICIAL HANSARD REPORT**  
**STATE OPENING AND BUDGET MEETING**  
**MONDAY**  
**10 OCTOBER 2005**  
**9.58 AM**  
*First Sitting*

**The Speaker:** I call on the Honourable First Official Member to say prayers.

**PRAYERS**

**Hon. George A. McCarthy:** Let us bow our heads.

*Eternal God and Father in the name of Christ Jesus who reigns with you in unity with your Holy Spirit, we glorify your name and we give you thanks for health and strength. We ask your Blessings upon the Speaker, upon the Ministers and Members of Cabinet, upon the Members of the Legislative Assembly, upon all senior officials, upon visitors to this Parliament and, Father God Almighty, we pray and ask your blessings this day especially for wisdom to be given to His Excellency the Governor as he delivers the Throne Speech; to the Honourable Leader of Government Business as he comments on the Budget, and to the Honourable Financial Secretary as he delivers the Budget Address.*

*Eternal Father we ask that your peace will be in this Parliament and that it will reign supreme in the hearts of everyone present. We pray especially this day for all peoples of the Cayman Islands that wisdom will be granted to all. We pray that your peace will reign over these Islands, over Grand Cayman, Cayman Brac and Little Cayman.*

*Eternal God we ask your special blessings upon the Governor as he is about to conclude his term of office. We pray that you will grant him wisdom and that you will guide him with your peace and your presence—he, his wife, children and grandchild—as he now enters into retirement.*

*Eternal God Almighty we thank you for your Holy Word which tells us that “The law of the LORD is perfect, converting the soul: the testimony of the LORD is sure, making wise the simple. The statutes of the LORD are right, rejoicing the heart: the commandment of the LORD is pure, enlightening the eyes. The fear of the LORD is clean, enduring for ever: the judgments of the LORD are true and righteous altogether. More to be desired are they than gold, yea, than much fine gold: sweeter also than honey and the honeycomb. Moreover by them [your] servant is warned: and in keeping of them there is great reward.”*

*Eternal God and Father we thank you for your Holy Word and we thank you for the wisdom that is imparted through your words. Your Son, Jesus Christ cherished your Word so much that he said “Man shall not live by bread alone but by every word that comes out of your mouth.”*

*Eternal God and Father we just glorify you and we praise you. We yield ourselves to you this day as servants, and Father we ask that your Holy Spirit will lead and guide our minds, our thoughts and our spirits now as we repeat together the Lord’s Prayer*

*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.*

*Father God this is the day that you have made, help us to rejoice and be glad in it.*

*In the name of Christ Jesus, Amen.*

**Proceedings resumed at 10.01 am**

**MOTION TO SUSPEND PROCEEDINGS**

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

I now call on the Honourable Leader of Government Business to move a motion for the suspension of this Honourable House to await the arrival of His Excellency the Governor to receive a gracious message from the Throne.

Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Mr. Speaker. I move that this Honourable House do rise to await the arrival of His Excellency the Governor to receive a gracious message from the Throne.

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

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

**Ayes.**

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

**Agreed: That the House do rise to await the arrival of His Excellency the Governor and reassemble on his arrival to receive a gracious Message from the Throne.**

**Proceedings suspended at 10.02 am**

## ARRIVAL OF HIS EXCELLENCY THE GOVERNOR

*[The Governor's Aide-de-Camp gave three knocks on the door at 10.15 am]*

**The Serjeant-at-Arms:** His Excellency the Governor.

### Procession

*Serjeant-At-Arms  
Honourable Speaker  
His Excellency the Governor  
Mrs Dinwiddy  
Aide-de-Camp  
Clerk of the Legislative Assembly  
Deputy Clerk*

## THE THRONE SPEECH Delivered by His Excellency the Governor Mr. Bruce H. Dinwiddy, CMG

**His Excellency the Governor:** Please be seated.

Honourable Madam Speaker and Honourable Members of the Legislative Assembly, I am honoured to present to you my third Throne Speech, only a few weeks before my departure from these beautiful Islands later this month.

As you know, the Throne Speech has traditionally been delivered at the beginning of each calendar year. This timing was very appropriate when the Government's financial year was also a calendar year. But the move to a July/June financial year, and the introduction of a separate strategic phase of the Budget cycle, has meant that the timing of the opening of the Legislative Assembly for the year has increasingly been out of step with the rest of the Government's management cycle.

I therefore welcome the move of the Throne Speech to the same day as the Budget. I know that this is perhaps a matter of accident rather than planning, but I hope that it will continue. The Budget is the Government's major policy statement each year and it is right and proper that it should accompany the Throne Speech. Together, these two statements comprehensively outline the Government's strategy and plan of action for the coming year.

In light of this new arrangement, my address this morning is somewhat different from the Throne Speeches of the past. The Budget Address from the Honourable Financial Secretary, and the presentation from the Honourable Leader of Government Business that accompanies it, will outline the Government's specific policy initiatives for the year. It is therefore unnecessary for me to do that as part of this speech. Instead I shall focus on the key policies and strategic priorities the Government has established for 2005/6.

But before I do that I would like to announce one other change. Today is the last day that a Gover-

nor will address this Honourable House in traditional Governor's uniform. In line with modern practice in other British Overseas Territories in the Caribbean, future Governors in Cayman will wear normal business attire, even on the most formal occasions. If I could depart for a moment from my script, it therefore seems particularly fitting that we have two distinguished and greatly respected former Governors also with us here today, in the person of Mr Tom Russell CMG CBE and Mr Athel Long CMG CBE, each of whom will well remember presiding over the proceedings of this House some 25 or more years ago.

I turn now to the Key Policies and Strategies of the Government in 2005/6.

### Key Policies and Strategies of the Government in 2005/06

Madam Speaker and Honourable Members, the Government's strategic focus for 2005/6 was outlined in the Strategic Policy Statement tabled in this Honourable House a little under two months ago. That Statement outlined the eleven outcome goals that the Government will pursue both this year and over the following three years.

In 2005/6, the policies of the Government will be focused on all eleven outcomes, but special priority will be given to five key areas.

The first is to continue the restoration of the Islands following Hurricane Ivan. Work in this area has many aspects and involves many agencies of government.

Amongst them in the first few months of the year is continuing assistance with the rebuilding of houses and replacement of furnishings through the District Assistance Committees and the Cayman Islands Development Bank.

A key focus of the Ministry of Communications, Works and Infrastructure will be to ensure that all damaged communications links, roads, water lines and public buildings are repaired to pre-Ivan standards or better. Other activities in that Ministry will include further debris removal as well as ash removal. A separate early objective of the Ministry will be to reopen negotiations with CUC aimed at reaching agreement with them on a new non-exclusive licence.

A further major activity within the first area priority is finalising the relocation of many government agencies whose premises were affected by the storm, allowing the restoration of full services to the public.

The second priority area for the Government for 2005/6 is law and order. The recent increase in violent crime is of great concern to the Government, as I am sure it is to all residents of these Islands. As part of its response to the current challenges, the Government has made a significant financial commitment to a policing plan developed by the RCIP Senior Command Team and the Portfolio of Internal and External Affairs. And a new Commissioner, recruited

from the United Kingdom, will arrive in Cayman at the end of this week.

Other law and order related actions will also be pursued in 2005/6. These include the completion of the Judicial Administration's case management system, the expansion of behaviour modification and rehabilitation programmes at the Prison, with a specific focus on gang and drug related criminal behaviour, improved immigration controls, and an expanded forensic service within the Portfolio of Legal Affairs which will include forensic examinations of DNA and ballistics material to improve the detection and prosecution of crime.

A range of legislative changes to improve the crime fighting and prosecution abilities of law and order agencies will also be pursued during the year. Together, these initiatives are designed to ensure that, with the support of the community, the Cayman Islands will continue to be a safe place in which to live, work and visit.

The third priority for the Government in 2005/6 is in the area of social services, particularly education, health and family-related services.

Last month the Government hosted the National Education Conference, and a major focus for the Ministry of Education this year will be the implementation of the major findings from that conference. Major capital works for three new high schools and a replacement primary school in George Town will also begin.

In the health sector, the Government is committed to ensuring that a high quality and cost-effective healthcare service is available to all residents of the Cayman Islands. The major focus for the Health Services Authority in 2005/6 will be the continued expansion of the scope of services it offers while simultaneously achieving financial sustainability. The development of an integrated Public Health function is a further priority in this sector this year.

The fourth priority area is ongoing support for key economic sectors.

In tourism, a major focus will be resumption of the implementation of the National Tourism Management Policy following its temporary interruption in the aftermath of Hurricane Ivan. The Minister, Ministry and Department of Tourism will be actively working with the industry to restore the numbers of stay-over visitors to pre-Ivan levels. Everyone recognises that this is an extraordinary challenge but also that it is one that must be met in order to restore this pillar of our economy.

In support of these initiatives, the Cayman Islands Airport Authority will commence a major redevelopment of the terminal building at Owen Roberts International Airport. The new terminal will help to improve our tourism product by including jet-ways that will allow passengers to enplane and deplane directly to and from the terminal building.

In relation to financial services, the Portfolio of Finance and Economics will be pursuing a number of

initiatives to ensure the continued competitiveness of the sector and the streamlining of business processes. These will include implementing recommendations from reviews on the domestic insurance industry and securing agreements for the promotion and protection of investments with various countries.

The fifth and final priority is the delivery of efficient and effective government services. Two important legislative measures—the Public Service Management Bill and the Public Authorities Bill—are planned for 2005/6. In addition, a large number of initiatives to improve performance across a wide range of Government agencies are planned for the year.

A small sample of these includes the distribution of special telephone devices to allow speech and hearing impaired persons to contact the 911 emergency centre, a reduction in the turnaround time for issuing new land parcel numbers by the Lands and Survey Department, on-line Customs clearance of imported goods, on-line renewal of drivers' licences, an internet-based facility to allow companies to reload postal meters, and the development of a General Registry website to allow, among other things, on-line credit card payment for registry services.

Structural initiatives planned within the civil service include the establishment of a Management Support Unit to work with Chief Officers to build up the management capabilities of their organisations, the establishment of a department within the Ministry of Communications, Works and Infrastructure to manage beaches and other recreational facilities, continuing the restructuring initiative within the Public Works Department, the strengthening of staffing and structures within the Portfolio of Internal and External Affairs, and completion of the new MRCU operations building, laboratories and offices to improve that department's capabilities.

The policy and strategy priorities that I have outlined are, of course, not exhaustive. The Honourable Financial Secretary and the Honourable Leader of Government Business, in their statements later today, will outline significant initiatives that are planned in other important areas, including environmental protection and supporting the development of the Cayman Brac and Little Cayman in ways that respect and preserve their natural beauty and unique character for the future.

### Parting Reflections

Madam Speaker, Members of the Legislative Assembly, as this is the last occasion on which I shall address this Honourable House before completing my term as Governor, I would like to take the opportunity to reflect briefly on my time in Cayman and some of the challenges that I think might lie ahead.

Leaving the Cayman Islands will be a very poignant experience for Emma and myself. It has been an enormous privilege for me to serve as your Governor. We have greatly enjoyed our three and a

half years here and particularly the personal warmth, friendship and generosity of so many Caymanians.

A few things stand out from our time, with, of course, Hurricane Ivan being the most obvious. As difficult as the storm and its aftermath were, the speed of the recovery and restoration of these Islands has been nothing short of astonishing. The fact that it has been achieved almost solely from our own resources is even more remarkable. It is a reflection of the great resilience that is part of the history and culture of Cayman. The generosity of individuals and companies alike in contributing to the National Recovery Fund—seen recently once again with the CITN Telethon—is an indication of the compassion and care that Caymanians, and indeed all residents, have for each other. The Fund is playing a vital role in helping the less advantaged recover from the effects of the Hurricane and it will need to continue to do so for some time to come.

I would also like to comment on two other areas of significant development during my tenure.

The first is public sector reform. When I arrived, the financial management reform process was in its infancy. Just a few short years later, the Honourable Financial Secretary will present to this Honourable House today the second full accruals and output Budget. Once again this achievement is quite remarkable, a fact that I suspect is not widely recognised among the general public. The financial reforms, and the new system of public sector management that they embrace, are already generating significantly improved information and with it improved decision making within the wider government. Encouragingly, much of the potential of the reform is as yet untapped and achieving that potential is one of the great challenges for the public sector in the years ahead.

Of course, finances are only one aspect of good management and I am very pleased that the Bill to reform the Government's personnel management arrangements will be introduced during this session of the Legislative Assembly. The Government, like any other organisation, is made up of the people within it. It is vitally important to the health and success of the organisation that staff are happy, well motivated and appropriately rewarded.

The new personnel arrangements are a key element in the drive to develop a high performance culture in government. Achieving such a change is no easy task and will not happen overnight, but I am convinced that the future prosperity of the country depends on it. In this modern age with borderless economies, all countries, and particularly small ones like Cayman, must be properly efficient and use their resources to the best effect if they are to prosper in the global environment. The reforms of the last few years position the Cayman Islands well in this regard. But we cannot rest on our laurels. Reform is not a one-off activity. The quest for ever greater efficiency and effectiveness within the Government, and the country as a whole, will only get more pressing as time goes by.

The other matter I would like to touch on is the maturing relationship between the Cayman Islands and the United Kingdom.

I would be among the first to admit that there has been some rough weather in our voyage together during the past three and a half years. I shall not dwell today on the Eurobank debacle or on the imposition of the European Union Savings Directive; nor on the disappointment here that the UK Government, having provided valuable assistance in the first few weeks after Hurricane Ivan, did not contribute more to Cayman's longer-term recovery. Perhaps the European Union will do something to restore Europe's reputation here during the next few months, if we succeed in obtaining some valuable support for the National Recovery Fund from the Commission's emergency assistance programme.

Meanwhile, I am glad that some significant progress has been made over the last three and a half years in Constitutional modernisation. We now have Constitutional recognition of the offices of Leader of Government Business and Leader of the Opposition; and a Cabinet supported by a Cabinet Office staffed to promote and provide better coordination of our government process.

There are still some major issues to be addressed and settled. But I believe we have laid the basis for some other long overdue changes. I am glad that both parties represented in this Assembly are keen and willing to see further modernisation. I hope that Constitutional talks with the UK Government can be resumed next year, and that a new Constitution can be agreed well before the next Elections.

There are many other facets to Cayman's relationship with the United Kingdom. The two countries have ties stretching back through many generations, indeed centuries. Looking ahead, I am sure there will continue to be bumps in the relationship from time to time. There will continue to need to be hard work, good faith and willingness on both sides. That is something we all have in common, and I believe that there will be a strong and enduring relationship between Cayman and the United Kingdom for many years to come.

Undoubtedly, the Islands will face other challenges in the future. But Cayman is a very special place. And I hope that the Government and people will take care to ensure that it remains so, with particular attention to preserving as far as possible the natural environment, for Cayman is a place of great beauty. It is also a place of great compassion, of great faithfulness, and of great resilience.

Emma and I shall watch with hope and great affection the progress of the Cayman Islands in the years to come. I am very confident that you can look forward to a successful and prosperous future, in which all residents live together happily and harmoniously as one people.

Madam Speaker, Honourable Members of the Legislative Assembly, as you prepare to debate the Budget for the 2005/6 financial year, I pray that Al-

mighty God will continue to watch over, preserve and prosper these precious Islands, and all who live in them, during this year and in the longer future.

**The Speaker:** This Honourable House will now be suspended for thirty minutes.

We invite all those present here with us today, His Excellency, his wife, all Members in the Chamber and in the Gallery to join us in the Member's dining room for refreshments as we share this last moment with His Excellency the Governor.

## DEPARTURE OF HIS EXCELLENCY THE GOVERNOR

*[His Excellency the Governor, preceded by the Serjeant-at-Arms and the Honourable Speaker, followed by Mrs Dinwiddy and the Aide-de-Camp depart from the Chamber.]*

**Proceedings suspended at 10.30 am**

**Proceedings resumed at 11.16 am**

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

I now call on the Honourable Leader of Government Business to move the deferral of the debate on the Throne Speech.

## GOVERNMENT BUSINESS

### Motion to Defer Debate on the Throne Speech

**Hon. D. Kurt Tibbetts:** Thank you, Mr. Speaker:

**BE IT RESOLVED** that this Honourable Legislative Assembly records its grateful thanks to His Excellency the Governor for the address delivered at this meeting.

**BE IT FURTHER RESOLVED** that debate on the address delivered by His Excellency the Governor be deferred until Monday, October 17 2005.

**The Speaker:** The question is: **BE IT RESOLVED** that this Honourable Legislative Assembly records its grateful thanks to His Excellency the Governor for the address delivered at this meeting.

**BE IT FURTHER RESOLVED** that debate on the address delivered by His Excellency the Governor be deferred until Monday, October 17 2005.

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

**Ayes.**

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

**Agreed:** That the Honourable Legislative Assembly records its grateful thanks to His Excellency

the Governor for the Address delivered at the meeting; and that debate on the Address delivered by His Excellency the Governor be deferred Monday, 17 October 2005.

## PRESENTATION OF PAPERS AND OF REPORTS

**The Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year ending 30 June 2006 together with the Annual Budget Statements for Ministries and Portfolios for the Financial Year ending 30 June 2006, Purchase Agreements for Statutory Authorities, Government Companies and Non-Governmental Output Suppliers for the Year ending 30 June 2006, and Ownership Agreements for Statutory Authorities and Government Companies for the Year ending 30 June 2006.**

**The Speaker:** I call on the Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker. I beg to lay on the Table of this Honourable House the Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year ending 30 June 2006 together with the Annual Budget Statements for Ministries and Portfolios for the Financial Year ending 30 June 2006, Purchase Agreements for Statutory Authorities, Government Companies and Non-Governmental Output Suppliers for the Year ending 30 June 2006, and Ownership Agreements for Statutory Authorities and Government Companies for the Year ending 30 June 2006.

**The Speaker:** So ordered.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

At this stage I do not have any comments to make on the documents that have just been laid. When I am invited to speak to the second reading of the Appropriation Bill, my Budget Address on the Bill will make reference to the documents that have just been tabled.

Thank you Madam Speaker.

## GOVERNMENT BUSINESS

### BILLS

### FIRST READING

**The Appropriation (July 2005 to June 2006) Bill 2005**

**The Speaker:** The Appropriation (July 2005 to June 2006) Bill 2005 has been given a First Reading and is set down for Second Reading.

## SECOND READING

### The Appropriation (July 2005 to June 2006) Bill 2005

**The Speaker:** Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Speaker, I beg to move the second reading of a bill entitled the Appropriation (July 2005 to June 2006) Bill 2005.

**The Speaker:** The motion has been duly moved, does the Honourable Third Official Member wish to speak thereto?

Honourable Third Official Member.

## BUDGET ADDRESS

**Hon. G. Kenneth Jefferson:** Madam Speaker, it is my privilege to present the Budget for the 2005/6 financial year, which covers the 12-month period from 1 July 2005 to 30 June 2006, on behalf of the Government.

Madam Speaker, the 2005/6 Budget is a commonsense Budget that reflects a careful and deliberate plan of action established by the Government. It is a Budget that allocates resources to the Government's highest priority outcomes. It is a Budget that addresses the needs of today while also preparing for the needs of the future. It is a Budget that recognises the differing circumstances of the three Islands, and allocates resources accordingly. It is a Budget that supports the economy—particularly the key sectors of financial services and tourism that drive the economy.

Madam Speaker, it is a Budget that is fiscally responsible; it complies with both the Government's fiscal strategy and the Principles of Responsible Financial Management set out in the Public Management and Finance Law.

### Overview of the Key Budget Policies

The Budget provides for approximately \$367.3 million of operating expenditure in 2005/6, and a further \$80.6 million of investing or capital expenditure. These expenditures have been allocated to fund outputs, transfer payments, executive assets and other policy actions designed to achieve the Government's 11 broad outcome goals. Those outcomes were set out in the 2005/6 Strategic Policy Statement agreed by this Legislative Assembly in August 2005.

Madam Speaker, the Honourable Leader of Government Business will comment in detail about the outcome goals and the policy actions being funded when he makes his contribution. However, for the

benefit of Honourable Members I would like to provide an overview of the key policy drivers of the Budget.

I do this, Madam Speaker, because the annual Budget is much more than an annual financial statement; it is the Government's plan of action for a financial year.

The public can perhaps relate more easily to Government's policies, its actions and its planned services that the Budget provides funding for, more than it can to the financial statement component of annual Budget documentation. The policies and actions of Government along with the services it will provide are given in the Annual Plan and Estimates for the 2005/6 financial year that was just tabled.

The Annual Plan and Estimates contain a wide range of policy actions. Many of these are in respect of annually recurring outputs and actions by Government. However, the Budget provides some additional resources to deal with particular challenges facing the country at this time that were not in existence in previous years.

In particular, approximately \$36.5 million has been allocated to support the ongoing hurricane recovery effort. This is a very significant amount as it equates to approximately 8.5% of total government revenue forecast for 2005/6. This expenditure was not required before Hurricane Ivan and is a reflection of the degree of re-prioritisation of government expenditure that has occurred as part of this financial year's Budget process.

Some of the specific actions to be funded from this amount include further assistance to residents to rebuild and furnish their homes, further debris removal, the reconstruction of roads and seawalls, the reconstruction of civic centres and other public buildings, repairs to community sports facilities, and improvements to emergency management outputs.

Another area of priority in this Budget is the funding of agencies involved in fighting crime. An additional \$4.75 million has been provided for police outputs, together with \$3.9 million for new police equipment.

The third notable feature of the Budget is the amount of funds allocated to strengthen families and the community. The cost of policy actions relating to this outcome is \$96.1 million. Operating and Capital expenditure planned on education during the year is \$94.5 million. Planned expenditure on strengthening families and the community and on education totals \$190.6 million. This is a significant level of expenditure on these two outcome goals of Government.

However, Madam Speaker, as I indicated in my opening remarks, this Budget is concerned with more than just the challenges of today. It is also focused on positioning the country for the future. Three sets of Budget initiatives are notable in this context.

The first is in relation to education infrastructure. The Budget provides for an equity injection of \$19.9 million into the Ministry of Education, Training, Employment, Youth, Sports and Culture. Of this \$19.9

million, \$14.9 million is to begin the construction of three new high schools, a new primary school, and other school facilities on both Grand Cayman and Cayman Brac.

The second initiative is road infrastructure. The Budget allocates \$9.6 million for road related projects. Of this amount, \$5.4 million is to fund the further development of major arterial roads.

The third relates to health services. The Budget makes provision for a \$12 million equity injection into the Health Services Authority. This is part of a larger programme of activity to put the Health Services Authority on a stable financial and clinical footing for the future. It therefore reflects the Government's commitment to improving the health of the nation and it recognises the importance of health services to the quality of living in these Islands.

Madam Speaker, I would now like to turn to the financial forecasts.

## **The Financial Forecasts**

### **Basis Preparation**

In accordance with the requirements of the Public Management and Finance Law, the Annual Plan and Estimates tabled in this Honourable House today include a detailed set of financial forecasts for the 2005/6 financial year in the form of a full set of accrual-based financial statements. Those forecasts are provided in Part C of the Annual Plan and Estimates.

The forecast financial statements provide a comprehensive range of financial information about the Government's forecast financial performance for the year. Within the financial statements as a whole, I would like to draw Honourable Members' attention to three components.

The first is the forecast Operating Statement. This reports the Budgeted revenues and expenses, measured on an accrual basis, and the resulting net surplus or deficit. The net surplus or deficit is the key measure of the Government's operating performance.

The second key statement is the forecast Balance Sheet. This reports the assets and liabilities Government is Budgeting to own, or, in the case of liabilities, owe, at the end of 2005/6. The resulting Net Worth figure, being total assets less total liabilities, is the key measure of the Government's financial position.

The third key statement is the forecast statement of cash flows. This reports the operating, investing, and financing cash flows the Government is Budgeting for 2005/6. This statement provides information about changes in cash balances which result from Government's recurring operating activities, its capital expenditures and its borrowing plans. The resulting net increase or decrease in cash and cash equivalents that arise from the movement in these

three areas is the key measure of the change in the Government's cash position.

The financial statements have been prepared using the accrual basis of accounting. As this is only the second year that the Budget has been compiled on this basis, I would like to remind Honourable Members of the key features of accrual accounting.

Firstly, under accrual accounting, recurring operating transactions are distinct from capital transactions. Separate statements are prepared for recurring operating transactions and capital activities. These activities are recorded in the three statements I have just outlined—the Operating Statement, Balance Sheet and Statement of Cash Flows.

Secondly, under accrual accounting, operating revenue is recognised in the Operating Statement when it is due, not when the cash is collected. Revenue due but not collected is recorded as debtors in the Balance Sheet.

Operating expenses, on the other hand are recognised in the Operating Statement when the expense is incurred. This is usually the point at which the expenditure is committed to, rather than when the cash payments are made by Government. Expenses payable but not yet paid are recorded in the Balance Sheet as creditors.

Thirdly, non-cash expenses are also recognised in the Operating Statement. The major non-cash expense is depreciation. This reflects the use (or wearing out) of assets. Any write-off or reduction in the value of assets is also recorded as an accrual expense.

In accordance with the requirements of the Public Management and Finance Law, the forecast financial statements provide two sets of figures: one for the Core Government Sector; and one for the Entire Public Sector.

The Core Government comprises the Legislative Assembly, Cabinet, Ministries and Portfolios, the Judicial Administration, the Audit Office and the Office of the Complaints Commissioner. It also includes the operating surpluses and deficits of Statutory Authorities and Government Companies as a single line in the Operating Statement entitled in this year's financial statements, "Net Loss of Public Authorities". Similarly, the Net Worth of Statutory Authorities and Government Companies is recognised in a single line in the Balance Sheet entitled "Net Worth of Public Authorities".

The Entire Public Sector includes the same information as the Core Government. However, in the column of the financial statements that provides details of the Entire Public Sector, the revenues, expenses, assets and liabilities of Public Authorities are reported on a line-by-line basis by aggregating these items with the revenues, expenses, assets and liabilities of the Core Government.

The key measures of Government's financial performance and position (the overall operating activ-

ity and Net Worth) are the same for both the Core Government and the Entire Public Sector.

Madam Speaker, it is also important to state that while the financial statements shown in the Annual Plan and Estimates provide information on the activities of Statutory Authorities and Government Companies, the Appropriation Bill does not seek to obtain amounts that would fund the entire operations of Statutory Authorities and Government Companies. The Appropriation Bill seeks to obtain funding for Core Government's operations—some of which involves making equity investments in Statutory Authorities and purchasing outputs from Government Companies.

### Overview of Forecasts

Let me now turn to the financial statement forecasts; I will focus on the Core Government figures.

The forecast operating result of the Government for the 2005/6 financial year is a surplus before Extraordinary Items of \$3.3 million. As I have just outlined, this surplus is the key measure of the Government's operating performance.

The surplus results from subtracting operating expenses of \$367.3 million and \$9.6 million of non-operating expenses from forecast operating revenue of \$380.2 million. Non-operating expenses comprise interest and other financing expenses on Government's public debt balance.

Overall, operating revenue is forecast to be approximately \$10 million more than the estimated actual figure for the 2004/5 financial year that ended 30<sup>th</sup> June 2005. However, the forecasts for coercive revenue for 2005/6 are approximately \$4.6 million less than the estimated actual figure for 2004/5. This movement principally reflects the impact of Customs duty concessions granted to the public to assist with recovery from Hurricane Ivan—the revenue reduction-impact of which has been offset by growth in other revenue sources.

The revenue forecasts include an additional \$1.5 million in respect of mutual fund fee increases. This reflects a fee increase of \$500 in respect of certain categories of fees stated in the Mutual Funds Regulations. The extra revenue is being used to fund additional output payments to the Cayman Islands Monetary Authority; the additional payments to the Authority are to ensure that the Authority can support the current growth levels being experienced in the mutual funds sector. This Budgeting approach is consistent with the Government's pledge to only use new revenue measures to fund new or increased services. It is also important to point out that this \$500 change has the support of the mutual funds sector.

Forecast operating expenditure for 2005/6 is approximately \$32 million more than the estimated actual for the 2004/5 financial year. This movement principally reflects an under-spend of Budgeted expenditures in 2004/5 rather than significant across-the-board increases in expenditure in 2005/6. A sig-

nificant amount of expenditure reprioritisation has occurred as part of this year's Budget, with increases in expenditure being limited to priority areas—such as additional resources to the Police to fight crime.

Included in the overall operating expenditure figure of \$367.3 million is the net loss of Statutory Authorities and Government Companies (the combined term for which is Public Authorities). These losses amount to \$4.2 million, a significant reduction from the \$8.8 million estimated for the 2004/5 financial year.

It is an even more dramatic reduction compared to the Strategic Policy Statement forecasts that assumed approximately \$23 million of Public Authority losses. That in turn was a significant reduction from the original forecasts submitted by Public Authorities at the beginning of the strategic phase three months ago. It is a reflection of progress on the Government's objective of ensuring that, in aggregate, the public authority sector achieves a breakeven position within the next three to four years.

There is, however, one important change to the funding for Cayman Airways that significantly affects the net losses from the Public Authorities figure. In previous years, the Government has provided deficit support for Cayman Airways through the provision of annual equity injections. In 2005/6, no such equity injections are provided for. Instead, the Cabinet is now purchasing two new outputs, totalling approximately \$9.8 million, from the airline. These outputs reflect the public and economic benefit derived from operating flight services to Cayman Brac and Little Cayman and other strategic tourism routes.

This approach improves the transparency of Government funding to Cayman Airways and also provides better information for expenditure prioritisation decisions by Ministers. However, while the Core Government's operating surplus before Extraordinary Items is unaffected, the new approach increases the Government's output expenditure and reduces the loss incurred by Cayman Airways compared to the previous accounting practice.

In addition to the figures I have already mentioned, the operating forecasts include a further \$13.4 million in extraordinary expenditures. These one-off items all relate to Hurricane Ivan and consist of extraordinary outputs, extraordinary transfer payments, and other extraordinary expenses, the major component of which is \$5 million of remediation expenses arising from the clean-up of certain Government buildings after Hurricane Ivan.

This is the last year Hurricane Ivan-related extraordinary expenses are anticipated, which is why the surplus before Extraordinary Items is the best measure of the underlying operating activity of the Government. The operating position after Extraordinary Items is a deficit of \$10.1 million. This compares favourably to the 2004/5 estimated deficit after Extraordinary Items of \$36.7 million and, the Strategic Policy Statement target for this year of \$13 million.



Moving to Balance Sheet items, Madam Speaker, the Cash Flow Statement indicates \$70.2 million will be used for the purchase or development of new assets and a further \$14.2 million in equity injections into Public Authorities. The Cash Flow Statement indicates net cash flows from investing activities are expected to be \$80.6 million for 2005/6; which is \$3.3 million more than was spent in the 2004/5 financial year.

At 30 June 2006, the balance owed in respect of existing borrowings and proposed new borrowings is expected to be \$211.4 million. This includes \$63 million of proposed new borrowing to partly finance the capital projects outlined in section 9 of the Annual Plan and Estimates. These include the commencement of new school construction as well as road projects and other key infrastructure projects.

These expenditures all have long-term benefits that will be enjoyed by both present and future generations and it is appropriate that the cost of those projects is spread in a way that reflects those benefits. Funding those projects by way of borrowing rather than recurrent revenue provides a better matching of the costs with the benefits as well as providing the necessary financing.

The total cash and cash equivalent position at the end of 2005/6 is forecast to be \$71.3 million. This represents a \$27.1 million decrease in the cash position of the Core Government during 2005/6, compared to the forecast 2004/5 position at 30 June 2005. This reduction in cash is a deliberate financing strategy designed to ensure that two cash management objectives are achieved simultaneously: first, that cash reserves are held at prudent levels in accordance with the requirements of the Public Management and Finance Law; and second, that the Government's borrowing is minimised.

The use of \$27.1 million of existing cash to help finance planned capital expenditures, reduces the Government's borrowing requirement, and therefore reduces its interest expense and future debt repayment obligations. However, the use of this cash does not jeopardise the cash reserves position. The forecasts show that the level of cash holdings at the end of 2005/6 will be at a level equal to 76 days of expenditure. This is far in excess of the 45-days position at 30 June 2006 required by the Public Management and Finance Law.

### **Compliance with Strategic Policy Statement and Principles of Responsible Financial Management**

Madam Speaker, the financial forecasts that I have just outlined fully comply with both the Government's fiscal strategy outlined in the Strategic Policy Statement for 2005/6, and the Principles of Responsible Financial Management contained in section 14 of the Public Management and Finance Law.

The Government's fiscal strategy has three elements: fiscal responsibility; addressing the Islands'

infrastructure needs; and economic management considerations.

In relation to fiscal responsibility, one of the Government's 11 outcome goals is sound fiscal management. The Government recognises that this is the bedrock upon which investor confidence in these Islands is built. It is also critical to the Government's ability to obtain the financing necessary to repair, maintain and further develop the Islands' infrastructure.

Accordingly, the Government is fully committed to the principles of responsible financial management; these principles are intended to ensure that Government remains fiscally responsible and prudent. Compliance with the principles is therefore the first, and perhaps most important, element of the Government's fiscal strategy. It is, and will continue to be, a key driver of the Government's financial decision-making.

The second element of the Government's fiscal strategy is the generation of the cash flows necessary to finance priority infrastructure needs. The Government's approach to achieve this is fivefold.

The first is to keep a tight rein on operating expenditure. Controlling operating expenditure generates operating surpluses to finance the new needs. Such control requires active prioritisation of expenditure demands and this has been a key feature of the 2005/6 Budget process. A rigorous and detailed expenditure review and expenditure-cutting exercise was conducted by Cabinet when establishing the targets for each member of Cabinet set out in the Strategic Policy Statement.

As a general rule, the allocations to each Minister and Official Member of Cabinet for 2005/6 were approximately equal to what was received in 2004/5. The exception to this was in relation to specific, identified new initiatives essential to the achievement of the Government's outcome priorities. These included new outputs relating to fighting crime from the Royal Cayman Islands Police, the Portfolio of Legal Affairs and Judicial Administration. They also included additional expenditures relating to the recovery and restoration of the Islands after Hurricane Ivan.

The second financing strategy is ensuring that Public Authorities are financially sustainable. This strategy involves working with Statutory Authorities and Government Companies—particularly the large loss-making ones such as Cayman Airways Ltd and the Health Services Authority—to develop financially stable business operations. The ultimate goal in this regard is to achieve an overall breakeven position for the Public Authority sector. As I have already outlined, significant progress has been made in achieving this goal as part of this Budget.

The third financing strategy involves identifying new external sources of finances. No new external finance sources have been included in the 2005/6 Budget but work to explore such options is underway and will be incorporated in future years' Budgets.

The fourth financing strategy is to undertake new borrowing, but with two important caveats. First, borrowing must be within the limits established by the Principles of Responsible Financial Management and secondly, the timing of capital expenditure will be managed so as to minimise borrowing levels.

As previously stated, the forecasts have been prepared on a basis that complies with these caveats. While \$63 million of new borrowing is planned, after taking into account the repayment of existing borrowing, net public debt is forecast to increase by only \$46.9 million in 2005/6. This level of borrowing is well within the limits of the Principles of Responsible Financial Management established by the Public Management and Finance Law. In addition, the use of existing cash balances ensures that borrowing levels are minimised.

The final financing strategy is to increase revenue; the medium-term targets established in the Strategic Policy Statement made provision for this, especially in the 2006/7 and 2007/8 financial years. However, as the Honourable Leader of Government Business outlined when he tabled the Strategic Policy Statement in August 2005, new revenue measures will be used only to fund new or additional public services.

New revenue measures will not be introduced to fund increases in costs relating to existing services. These will be funded by natural revenue growth or expenditure reprioritisation, as has been the case with this Budget.

The 2005/6 Budget forecasts include provision for only one new revenue measure—an increase in mutual funds fees that I outlined earlier—and as indicated, this will be used to ensure that the Cayman Islands Monetary Authority can support the current growth levels being experienced in the mutual funds sector.

Madam Speaker, the third element of the Government's fiscal strategy relates to economic management. The Government recognises that if not properly thought out, new revenue measures can be damaging to the economy. Accordingly, in determining the level of operating revenues, operating expenses, and capital expenditures, it will consider the economic impact these levels will have. The Government used this approach when considering the new revenue measure for 2005/6 that I just outlined.

Madam Speaker, another benchmark for assessing the financial forecasts included in the Annual Plan and Estimates is the extent of their compliance with the aggregate financial targets established in the Strategic Policy Statement approved by this Honourable House in August. I shall refer to the Strategic Policy Statement hereafter as the SPS.

I am pleased to report that the Budget forecasts fully comply with those parameters, Madam Speaker. The key operating measure—the “surplus before Extraordinary Items”—is \$2.4 million better than the SPS target figure.

In relation to Balance Sheet activities, the forecast balance of borrowings at the 30<sup>th</sup> June 2006 year-end is \$26.5 million less than the SPS target figure. This reflects a higher opening cash position than was stated when the SPS targets were established, thereby reducing the borrowing requirement.

When the cash flow statement in the financial statements contained in the Annual Plan and Estimates is compared to the cash flow target figures shown in the SPS, differences will emerge. Those differences reflect the fact that the operating activity and Balance Sheet positions in the Annual Plan and Estimates have changed from those contained in the SPS that was considered by the Legislative Assembly in August 2005. Those changes simply reflect more accurate and up-to-date information since August.

The forecast closing cash balance for 2005/6, of \$71.3 million, is only \$5.2 million less than the SPS target figure. However, the forecast \$71.3 million level of cash balances at 30<sup>th</sup> June 2006, equivalent to 76 days of expenditures, is significantly in excess of the 45-days cash balances level set by the Principles of Responsible Financial Management for the 2005/6 year.

Madam Speaker, perhaps most importantly of all, the financial forecasts also fully comply with the Principles of Responsible Financial Management set out in the Public Management and Finance Law.

The operating surplus before Extraordinary Items is positive as required by those principles. Core Government's Net Worth is also positive—as required by the principles.

The Debt Service ratio, which measures the debt-servicing burden of the Government, is forecast to be 6.8% of Core Government revenue; well below the 10% required by the principles.

The Net Debt ratio, which is a measure of the sustainability of the total amount of public debt, is forecast to be 64.4% of Core Government's revenue, again well below the 80% required by the principles.

Finally, cash reserves are forecast to be at a level equal to 76 days of executive expenditure. This is in excess of the 45 days required by the Law for 2005/6, in excess of the 60 days required for 2006/7 and in excess of the 75 days required by 2007/8.

### Timing of the Budget

Madam Speaker, before I conclude I would like to take a moment to explain the timing of this Budget Address.

As Honourable Members are aware, the Annual Plan and Estimates document is normally prepared and presented to the Legislative Assembly in April each year. This allows the Appropriation Bill to be enacted before a new financial year begins on 1<sup>st</sup> July each year.

However, Hurricane Ivan and the delayed General Election have resulted in a later than usual Budget process for the 2005/6 financial year. The

Strategic Policy Statement for 2005/6 presented to the Legislative Assembly in early August 2005, was much later than usual.

This, in turn, has resulted in a much later than normal finalisation of the Budget for the current financial year: the 2005/6 full-year Budget is now being presented to the Legislative Assembly approximately three months after the current financial year began on 1<sup>st</sup> July 2005. Honourable Members are reminded that during the period from 1<sup>st</sup> July 2005 to the end of October 2005, Government is duly authorised to incur expenditures by virtue of the "Pre-Appropriation" Motion approved by the Legislative Assembly in June 2005.

The Annual Plan and Estimates and other Budget documents for 2005/6 cover the full 12-month period from 1<sup>st</sup> July 2005 to 30<sup>th</sup> June 2006. They therefore supersede the documents provided to the Legislative Assembly at the time of the Pre-Appropriation Motion. If enacted into Law, the 2005/6 Appropriation Bill will subsume the interim appropriation authority provided by the Pre-Appropriation Motion.

The timing of the 2005/6 Budget process is a one-year aberration. The timing for the 2006/7 Budget cycle will revert to that prescribed by the Public Management and Finance Law; the 2006/7 Strategic Policy Statement will be presented to the Legislative Assembly for its consideration no later than 1 December 2005, and the 2006/7 Budget will be presented to the House no later than 1 May 2006.

Madam Speaker, I must give my sincerest thanks to all Honourable Ministers and Members of Cabinet, all Chief Officers, all Chief Financial Officers and other supporting staff; Statutory Authorities and Government Companies, and a special thanks to the staff of the Portfolio of Finance—particularly staff in the Budget and Management Unit, for producing the Appropriation Bill and its accompanying documentation Tabled earlier.

I also wish to thank you, Madam Speaker, for your persistent enquiries as to progress being made on the finalisation of the Budget documentation.

Madam Speaker, it is a little over one year since Hurricane Ivan ravaged our Islands. These Islands have made tremendous progress in the restoration effort over that time. However, there is still much to do.

The Annual Plan and Estimates tabled earlier acknowledges and recognises that there is still much to do. It allocates substantial resources to outputs, transfer payments, capital projects and other actions related to Government's stated number one priority outcome—dealing with the aftermath of, and lessons from, Hurricane Ivan. However, Madam Speaker, as important as it is to restore the Cayman Islands after the storm, it is also important that we look forward to the future. It is important that we prepare for the challenges and opportunities of the future.

The 2005/6 Budget does this too, Madam Speaker. It provides funding to develop the economic and social infrastructure of these Islands; particularly noteworthy are new high schools and new arterial roads. At the same time, Madam Speaker, the Budget maintains funding levels for the vast array of Government's other annually recurring services. It is also important to note that it does all of this in a fiscally responsible way—a way that will support the ongoing development of our economy.

This 2005/6 Appropriation Bill is based on a commonsense Budget that complies with the Principles of Responsible Financial Management that addresses the Islands' needs of today, and prepares for its needs of the future.

Madam Speaker, I commend The Appropriation (July 2005 to June 2006) Bill, 2005, to Honourable Members and accordingly ask that they support the Bill.

Thank you, Madam Speaker.

#### **Motion to Defer Debate on the Budget Address**

**The Speaker:** I now call on the Honourable Third Official Member responsible for the Portfolio of Finance and Economics to move a motion for the deferral of debate on the Budget Address.

Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Speaker, on behalf of the Government I move that this Honourable Legislative Assembly resolve as follows:

"BE IT RESOLVED that the debate on the Budget Address be deferred until Monday 17 October 2005."

**The Speaker:** The question is: "BE IT RESOLVED that the debate on the Budget Address be deferred until Monday 17 October 2005."

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

**Ayes.**

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

**Agreed: Debate on the Budget Address deferred until Monday, 17 October 2005.**

#### **Motion to Debate the Throne Speech and Budget Address Simultaneously**

**The Speaker:** I now call on the Honourable Leader of Government Business to move a motion for the Throne Speech and Budget Address to be debated simultaneously.

The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker.

“BE IT RESOLVED that the Throne Speech and Budget Address be debated simultaneously on Monday 17 October 2005.”

**The Speaker:** The question is: “BE IT RESOLVED that the Throne Speech and Budget Address be debated simultaneously on Monday 17 October 2005.” All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: The Throne Speech and Budget Address to be debated simultaneously on Monday, 17 October 2005.**

## STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

### Policy Statement “Delivering on the Promises”

**The Speaker:** I call on the Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker.

The PPM Government campaigned on the basis of a manifesto that outlined the goals, strategies and actions that would be followed once elected to office. Our key pledge was to be a government that the people of the Cayman Islands could trust; to be a government that would do what it says it would do; to be a government that would pursue the policies we promised to pursue and to do so in an open and honest way.

The Budget that the Financial Secretary has outlined to this Honourable House today delivers on those promises. It is a Budget that allocates significant funding to complete the country’s recovery from Hurricane Ivan. It is a Budget that properly resources the Royal Cayman Islands Police and other agencies involved in law enforcement, so that they can effectively combat crime. It is a Budget that addresses the shambles in the health sector that we inherited from the previous government.

It is a Budget that actually does deliver new schools and other essential resources for the education sector. It is a Budget that invests in essential arterial roads as a first step towards addressing traffic congestion. It is a Budget that embraces Cayman Brac and Little Cayman and provides resources to address their unique economic and social needs. It is a Budget that supports the economy. And, Madam Speaker, as the Financial Secretary has so eloquently outlined, it is a Budget that is prudent and fiscally responsible.

### Overview of Policies in the Budget

#### Outcome Goals

Madam Speaker, the 2005/6 Strategic Policy Statement approved by this Honourable House established 11 broad outcome goals for the 2005/6 to 2007/8. These are as follows:

- Outcome 1: Deal with the Aftermath and Lessons from Hurricane Ivan.
- Outcome 2: Address Crime and Improve Policing.
- Outcome 3: Improve Education and Training.
- Outcome 4: Rebuild the Health Services.
- Outcome 5: Address Traffic Congestion.
- Outcome 6: Embrace Cayman Brac and Little Cayman.
- Outcome 7: Conserve the Environment.
- Outcome 8: Strengthen Family and Community.
- Outcome 9: Support the Economy.
- Outcome 10: Open, Transparent, Honest and Efficient Public Administration.
- Outcome 11: Sound Fiscal Management.

I hasten to add that these are certainly not in order of importance, but are placed at random.

These broad outcomes reflect the Government’s priorities and focus during its current term of office. They provide the yardstick by which we establish policy and prioritise expenditure.

The Budget contains a range of measures designed to support the achievement of each of these outcomes. Each is important each has been addressed.

Before outlining those measures I would note, Madam Speaker, that while the Government can play a major part in achieving these 11 outcome goals, it does not totally control them. Events outside the Cayman Islands and the actions of individual residents can also have a significant influence on whether the outcomes are achieved. Every resident of this country—not just the Honourable Members of this Legislature—has a part to play in the social and economic development of the Cayman Islands. Our own individual behaviour, our own attitudes and our own morals, can be as important to our own wellbeing as anything that the Government can do.

#### Key Policy Actions

Madam Speaker, let me now turn to the key policy actions contained in the Annual Plan and Estimates, starting with Outcome 1: Dealing with the Aftermath and Lessons from Hurricane Ivan.

While all of the 11 outcomes are important, the overriding, immediate and most pressing goal of this Government is to ensure a speedy recovery from the effects of Hurricane Ivan. Outcome 1 is therefore the Government’s highest priority objective and the Budget includes significant financial allocations relating to this outcome. These fall into four areas.

The first is the provision of further assistance to residents to rebuild and furnish their homes. The Budget provides \$2.9 million for hurricane relief assistance and housing repair assistance through District Assistance Committees, and a further \$1.6 million through the CI Development Bank. It also allows for a further \$500,000 contribution to the National Recovery Fund, and a similar contribution to the National Cultural Foundation to assist with the cost of repairing the Harquail Theatre.

Ongoing recovery activities are also being funded. An additional \$2.5 million has been provided for further debris removal, and \$225,000 for interest on post-hurricane assistance loans to civil servants made through the Credit Union.

The second area of focus under Outcome 1 is the reconstruction of essential national infrastructure damaged by Hurricane Ivan. The Budget provides \$4.6 million for the management and maintenance of Public Roads, of which at least \$1 million relates to the repair of roads damaged by the hurricane. A further \$2.7 million has been budgeted for the reconstruction of roads and/or seawalls at Clarinda Bay, Colliers Road, Marina Drive, Seymour Road, Iron Shore Gardens, Midland Acres to Breakers, the Edge, Anton Bodden Road and Chester Watler Road.

In relation to other infrastructure assets:

- \$771,000 has been allocated to build seawalls to prevent damage to existing cemeteries, and also to repair facilities on the eight public beaches in Grand Cayman;
- \$1.26 million has been allocated for the reconstruction of civic centres and other public buildings, to repair community sports facilities including the Truman Bodden Stadium, and to move forward with the beach re-nourishment project.

Madam Speaker, the third area of focus under Outcome 1 involves ensuring that the relocation of Government agencies affected by the storm is completed. This also involves ensuring that essential assets are replaced and become fully operational.

The Budget provides equity injections for a number of agencies who have had to relocate from the Tower Building, or who need to refurbish their premises or replace destroyed assets. This includes some \$4.6 million for office fit-outs for the Lands and Survey Department, the Department of Tourism, RCIP Headquarters, 911, General Registry, the Portfolio of the Civil Service, the Law School, Treasury and the Tourism Attractions Board.

In addition, just over \$3 million has been provided for the replacement of damaged fire trucks and \$4.5 million for the replacement of damaged school assets, including the provision of temporary classrooms.

Fourthly, under Outcome 1, Madam Speaker, the Budget makes provision for improvements to emergency management outputs. A new \$1.3 million output group called "National Disaster Preparedness and Response" will be purchased in 2005/6. This will

be delivered by the new Emergency Management Agency (EMA) which is being established within the Portfolio of Internal and External Affairs. The EMA will coordinate all national disaster preparedness and response activity for the country. Legislation is now being drafted to give statutory effect to this agency.

The Budget also provides \$1.5 million for an extension to the Emergency Operations Centre, standby generators and other essential equipment for the EMA. In addition, a further \$750,000 has been provided for a secure backup IT facility for the Computer Services Department at Citrus Grove and related IT infrastructure upgrades.

In total the Budget allocates approximately \$36.5 million to measures designed to support the hurricane recovery effort. This is equal to approximately 9% of total government revenue forecast for 2005/6 fiscal year.

Madam Speaker, the Government's second highest priority outcome at this time is Outcome 2: Addressing Crime and Improving Policing. Initiatives to support this outcome and reduce crime were given priority for additional funding in the 2005/6 Budget process and the Budget makes provision for a series of new or expanded policy actions relating to Outcome 2.

The most important of these involves a significant increase in the resources available to the Royal Cayman Islands Police including a \$4.75 million increase in outputs, and a further \$3.9 million in equity injections to fund new assets required for crime fighting activities.

Actions are being taken in other areas as well. A new \$226,000 forensic investigations output from the Portfolio of Legal Affairs will be purchased in 2005/6, together with a \$300,000 equity injection to fund capital equipment for the forensic laboratory. Additional funding of \$150,000 for enforcement outputs from the Immigration Department has also been provided for.

A number of legislative actions are also planned for 2005/6 in relation to this outcome. These include:

- Revised Anti-Corruption Bill to reform the law of corruption;
  - Drug Court Bill to provide for the establishment of a Drug Court to facilitate appropriate sentencing;
  - Firearms Amendment Bill to provide a deterrent in the use of firearms in the commission of violent crimes;
  - Police Law Amendment Bill to bring up to date measures in the Police Law to strengthen police crime fighting capabilities.
- The Bail (Amendment) Bill, 2005;
- The Court of Appeal (Amendment) Bill, 2005;
- The Criminal Procedure Code (Amendment) Bill, 2005;
- The Evidence (Amendment) Bill, 2005;

- The Information and Communications Technology Authority (Amendment) Bill, 2005;
- The Penal Code (Amendment) Bill, 2005;
- The Prisons (Amendment) Bill, 2005.

As you can see there are several of these Bills which we have to deal with and we will be dealing with them shortly in this Legislative Assembly.

These will all serve to enhance and further assist all the relevant agencies in the ongoing fight against crime.

Madam Speaker, Outcome 3 is improving education and training. Improving the quality of education and, particularly, improving the educational infrastructure of the country is the third key priority for the PPM Government. Much of this will be done within existing resources, and significant reprioritisation within existing operating funding levels and outputs has been undertaken as part of the 2005/6 Budget. Further reprioritisation will occur in future years, as we heard from the Honourable Third Official Member.

In relation to capital expenditure, the Budget provides \$14.9 million for the school infrastructure. This includes construction of the Frank Sound High School, the West Bay High School and a redeveloped John Gray High School in George Town. Provision has also been made to commence the construction of a new George Town Primary School, additional facilities at Cayman Brac High School Hall and Primary Schools, and a hall at East End Primary School—long awaited. I am sure that the Hon. Minister for Communications, Works and Infrastructure and his constituents will be very grateful.

The \$14.9 million is to commence these projects. Further injections will be provided in 2006/7 and 2007/8 budgets as the projects progress and are completed. The Government's long-run financial projections make provision for this.

Turning now to Outcome 4 - rebuilding the health services. The key policy action under Outcome 4 is to put the Health Services Authority into a stable state. The Government is working with the new Board of the Authority on this objective and recognises that it will take a few years for it to be achieved. Nevertheless, the Government has tasked the Board with ensuring that the Authority's financial position is broken even by 2007/8 while still providing high quality health services.

To assist this process the Budget provides for an equity injection of \$12 million to the Health Services Authority. This is a little less than twice the forecast operating deficit for the Authority for 2005/6 and is designed to fill that gap and to allow the Authority to address outstanding accounts payable, which are long overdue.

The very troubling matter of our Health Services has been of huge concern for the new Government. The country was aware of personnel problems at the hospital, of critical staff resignations, and of generally very low morale. We took office at a time when the HSA appeared to be adrift, with little sense

of direction or purpose, and with scant short-term or long-term strategies to cope with the incidence of diseases. In addition, to our horror we discovered that the HSA had been operating without a Budget for the last two years.

Faced with these concerns, a new HSA Board of Directors has been appointed with the following mandates:

- to expand and enhance the range of services the Hospital offers, and to recruit medical staff of the highest calibre to achieve this;
- to increase collaboration with the private sector to provide seamless care and treatment options for all patients; and
- to establish a partnership with St. Matthew's University to have the Cayman Islands Hospital recognised internationally as a teaching hospital.

By the end of November 2005, the HSA Board will outline what it is going to do to solve the existing financial problems and become self-sustaining by the 2007/8 financial year.

I pause here for a moment to say a special thank you on behalf of the Minister to the new Board who are working relentlessly with a deep commitment even under the very trying circumstances.

A number of other changes to the focus and priority of government expenditure within the sector are also included in the outputs documented in the Annual Plan and Estimates. These include an ongoing shift towards greater disease prevention and reduction in illicit drug use.

Some legislative actions are also planned under this outcome. These include a Public Health Law to clarify public health functions and roles, and a Pharmacy Law to update legislation to address the distribution and use of pharmaceuticals.

Madam Speaker, Outcome 5 relates to addressing traffic congestion. As I have said previously, the Government's view is that there are no short-term answers or quick fixes to the Grand Cayman traffic congestion problem. As a country we need to develop and agree upon a National Transportation Plan which will establish a long-term transportation game plan. Work on this will commence during 2005/6.

In addition legislative amendments to the Traffic Law and the Roads Law to address current traffic needs are planned for this year. In the meantime we need to continue to develop our road infrastructure.

In addition to funding allocated to address urgent road repair needs resulting from Hurricane Ivan, the Government has allocated a further \$6.68 million for new roads or road improvements. This expenditure has been targeted at projects that will improve traffic flow and reduce traffic congestion. These include:

- continuing work on Phase 3 of the Esterley Tibbetts Highway;
- the connector highway between the Esterley Tibbetts Highway and the Linford Pier-son Highway;

- the Bodden Town Relief Road (Anton Bodden Road);
- the Hirst/Shamrock Road centre turn lane and merge extension; and
- the reconstruction of the Elgin Ave / Thomas Russell Way roundabout.

The Budget also provides a \$1.3 million equity injection into the National Roads Authority to allow it, among other things, to purchase asphalt paving and transport equipment to increase the country's road paving capacity.

That brings me to Outcome 6: Embracing Cayman Brac and Little Cayman.

The Government is fully committed to the economic and social development of Cayman Brac and Little Cayman. However, Cayman Brac and Little Cayman are unique and in many instances solving their problems requires a different approach from that taken in Grand Cayman. We need to develop economic activity in Cayman Brac and Little Cayman that reflects their unique character while benefiting the residents there. This Budget includes a number of initiatives and allocations that reflect this. These include the purchase of a wide range of outputs relating to the Cayman Brac and Little Cayman.

In addition, the Estimates make provision for \$2.1 million of capital expenditure in Cayman Brac and Little Cayman. This includes in Cayman Brac:

- a child day-care centre and pre-school facility;
- cabanas and bleachers for the community pool at Stake Bay;
- cabanas and craft vending stalls at the Heritage House grounds;
- a Slaughter House;
- continuation of the Cemetery Pier Project;
- additional street lights; and
- a series of road and farm road projects.

And in Little Cayman:

- upgrading of the airstrip and terminal building;
- rebuilding of the small boat dock facility at Point of Sand;
- a new boat ramp at Jackson's Point;
- replacement of the fence and retaining wall of the cemetery.

Also \$800,000 has been allocated for the construction of affordable housing in Cayman Brac during 2005/6. This amount was also in last year's budget, but, unfortunately, it did not get off the ground.

Madam Speaker, Outcome seven is "Conserve the Environment". The natural environment is of critical importance to those of us who live in these Islands, as well as being the bedrock of our tourism industry.

The Government is therefore committed to protecting the environment for both current and future generations. Accordingly, the Budget provides funding at pre-existing levels for regulatory and protection ac-

tivities undertaken by the Department of the Environment, the National Trust and other agencies. It also includes new funding for a number of environmentally important capital projects including a further \$1 million acquisition for Barkers National Park; \$224,000 for the purchase of land for the Cayman Brac Parrot Reserve; and \$300,000 for completion of the beach erosion project in West Bay.

Two environment-related legislative actions are also planned. They are an Environmental Health Law to regulate Environmental Health Services, and Solid Waste Regulations to regulate solid waste management.

The Government's eighth outcome goal is "Strengthening Family and Community". I just wish to repeat that their sequence does not display the order of importance.

Many of us hold the view that many of the ills of society can be traced back to the family. The Government ascribes to this view and the structure of ministerial responsibilities with the establishment of a Ministry of Health and Human Services under the leadership of the Honourable Anthony Eden is a reflection of our concern.

By far the largest share of Government expenditure is dedicated to outcome 8, and rightly so. As already stated in the Budget Address, operating and capital expenditure planned on education and strengthening families and communities is some \$190.6 million and this is equivalent to 50 per cent of projected revenue for the financial year. This includes a wide range of outputs across a significant number of government and non-governmental agencies, most of the transfer payments and the majority of the other executive expenses.

On the capital side, provision has been made for \$800,000 of new loans-made, and \$350,000 for land for the Bodden Town Public Beach.

A number of important legislative measures relating to Outcome 8 are also planned for 2005/6. These include:

- Tobacco Law to establish legislation that includes smoke free policies and addresses the marketing and use of tobacco;
- Mental Health Law to revise legislation to address the treatment of mental health patients and establish mental health care policies;
- Regulations to give effect to the Children Law to ensure compliance with child protection and welfare policies;
- revised Adoption Law to ensure consistency with International Best Practice;
- Food Hygiene Regulations to regulate food hygiene and safety, Drinking Water Quality Regulations to regulate drinking water quality;
- Cemetery Management Regulations to regulate the management of private and public cemeteries; and
- Legal Aid Amendment Bill to streamline the granting of Legal Aid.

Madam Speaker, supporting the economy is outcome 9.

As I said during the debate on the Strategic Policy Statement, the fact that “supporting the economy” is outcome 9 does not mean that it is less important. Supporting the economy must, and will, have the utmost priority.

The Budget includes funding at previous levels for outputs to support, development and regulate the various sectors of the Cayman Islands economy, particularly the Tourism and Financial Services sectors.

As far as the tourism industry is concerned, the Department of Tourism will continue to execute the Government’s policy directives and coordinate the public sector’s role in the management of this vitally important industry. The two key policy objectives for this year are the implementation of the National Tourism Management Policy (NTMP) and facilitating human capital development. The implementation of the NTMP and its nine policy objectives will provide a comprehensive and coordinated approach to tourism across the three Cayman Islands and will address all aspects of the industry, ranging from marketing to physical product development, and from cruise tourism to the enhanced management of our marine resources.

Madam Speaker, in terms of human capital development, the Department of Tourism will seek to raise service levels across the public and private sectors as a competitive advantage to complement our fantastic beaches, rich heritage and excellent array of accommodations, attractions, activities and services. I have every confidence that our new Minister with his wealth of experience and his drive will achieve these objectives.

The Government recognises the economic importance of the financial services sector and is fully committed to its protection and development. The Budget therefore includes funding for a number of key action areas, including—

- The re-building of the General Registry, which is a critical service provider to the financial services sector, in secure and modern facilities;
- Enhancing the capacity of the CI Monetary Authority to deliver the Regulatory services required and to support the mutual funds sector effectively and efficiently;
- The implementation of a comprehensive public relations programme;

I had a presentation on what is planned in this area just a few short days ago and I must say that throughout my years of involvement with Government, I do believe that this is perhaps the best and most proactive plan that I have seen.

- Ensuring that the interests of the Cayman Islands are protected in relation to international tax and regulatory initiatives that may affect the financial services sector;

- Introducing legislation to implement the Cape Town Convention, which concerns the recognition and treatment of international interests in aircraft equipment, to assist Cayman in retaining its market position in relation to a significant sub-sector in the financial industry; and

- Upgrading of the intellectual property legislation to include the whole range of intellectual property rights in addition to patents and trademarks.

A number of important legislative actions are also planned in relation to Outcome 9. These include:

- Employment Bill to make amendments to reflect public feedback on the existing law,
- Data Protection Act to provide protection for information relating to living individuals and to ensure ready transfer of data with the European Union; and
- Amendments to the Development and Planning Law to effect possible changes to the Development Plan for Grand Cayman. These amendments will also positively impact the operation of the Development Control Board for Cayman Brac and Little Cayman.

Madam Speaker, this brings me to outcome 10, which is, Open, Transparent, Honest and Efficient Public Administration. Outcome 10 is an important outcome for the Government because it reflects the way the PPM Administration wishes the Government to operate. It is the outcome that best reflects the philosophy and approach we wish to bring to the business of government.

Outcome ten is different from the other outcomes. It is less about a state of wellbeing and more about an attitude, a set of behaviours that we, as a Government, want to exhibit. It is also what we expect from the civil service, and, indeed, everyone working in or with the wider public service. Accordingly, this outcome will be achieved by changes in attitude and behaviour rather than specific expenditures. Nevertheless, the Government has provided for a number of policy actions in this Budget to engender and reinforce the desired behaviours. These include two important legislative measures which will be introduced to this Honourable House within the next few months.

The first is the Public Service Management Bill which will reform the Government’s human resource management system to complement the Financial Management Initiative. This will include, among other things, a set of Public Service Values and a Public Servant’s Code of Conduct.

The second is the Public Authorities Bill. This will provide for an overarching system of governance, accountability and management for statutory authorities and government companies. In addition, it will extend the application of the Public Service Values and the Code of Conduct to public authorities and government companies.

Also planned is the “Access to Information Bill” to regulate access to Government Documents. Just last Tuesday, the Cabinet approved a “Bill for a



Law to give to the Public a General Right of Access to Official Documents; and to make provision for Incidental and Connected Purposes". This Bill is now being circulated in order to ensure the widest possible consultation. After a 90-day period input received will be carefully assessed and any agreed changes will be made before the final product is brought to the Legislative Assembly for passage. This is part of the Government's freedom of information initiative.

Although it is called the Access to Information Bill, let it be known that this is the long awaited Freedom of Information Legislation. Financial provision has also been made for outputs to support these pieces of legislation, particularly within the Portfolio of the Civil Service.

Finally Madam Speaker, we have outcome 11—sound fiscal management. The Honourable Third Official Member spoke at some length about this in his address so it is not necessary for me to labour on the point. Suffice it to say that in preparing this Budget, the Government has gone to considerable lengths to ensure that the levels of expenditure, capital and borrowing established for 2005/6 fiscal year are affordable and sustainable not only this year, but over the medium and long term.

This Budget meets that test; it is within the targets established by the Strategic Policy Statement, and it complies with the Principles of Responsible Financial Management.

Madam Speaker, when I presented the 2005/6 Strategic Policy Statement to this Honourable House two months ago I outlined a clear, coherent and financially affordable strategy for the future development of these Islands. I pledged then, as I do now, that the Government would pursue that strategy with vigour and dedicated commitment. Well, Madam Speaker, as the sayings go, "words are cheap" and "actions speak louder than words".

The Annual Plan and Estimates before the House today is proof that this government does deliver on its promises, and we will continue to do so. It is proof that we are actively working towards the full restoration of the Islands after Hurricane Ivan. It is proof that we are serious about addressing the country's concern about crime.

It is proof that we are building new schools and new roads just as we promised. It is proof that we are actively rebuilding the health services of this country. It is proof that we will support the ongoing development of the economy and manage the Government's own financial position responsibly. It is proof that the Government has a clear vision and plan for the sustainable development of these there Islands over the next four years, and beyond.

This Budget delivers on that plan. This Budget does what we said we would do—deliver on our promises to the people of these Islands.

Team PPM is real, and we are committed to the task. The entire Cabinet is working exceptionally

well together, including the Official Members, and our backbench is giving us wonderful support.

We know that there are many challenges ahead. Some of them are going to be difficult. But with the steadfast commitment of all of us, the support of the people, and certainly God's guiding hand, I am confident that we will prevail.

Thank you, Madam Speaker.

## ADJOURNMENT

**The Speaker:** That concludes the business before the House. I now call on the Honourable Leader of Government Business to move the adjournment.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I wish to make a few remarks to explain what will go on for the rest of the week.

We have started the Budget Address and Throne Speech on a Monday and normally we would adjourn the House until we resume the debate, but in the interest of time and after consultation with the Leader of the Opposition we have agreed that we will resume on Wednesday and there are other matters which we can address while we wait until Monday to begin the debate. So we are going to be resuming on Wednesday, Thursday and Friday where we will have the statement and the Government Motion from the Honourable Minister of Education with regard to the outcome of the Education Conference that will form the basis of that Motion.

There are twelve or thirteen amending Bills to do with crime fighting which we need to have passed in the Legislative Assembly as quickly as possible. We will make attempts to deal with [those] during the rest of the week.

Accordingly, I move the adjournment of this Honourable Legislative Assembly until Wednesday, 12 October 2005, at 10 am.

**The Speaker:** The question is that this Honourable House do now adjourn until 10 am Wednesday, 12 October 2005. All those in favour, please say Aye. Those against, No.

**Ayes.**

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

**At 12.57 pm the House stood adjourned until 10 am 10 am Wednesday, 12 October 2005.**



**OFFICIAL HANSARD REPORT**  
**WEDNESDAY**  
**12 OCTOBER 2005**  
**10.03 AM**  
*Second Sitting*

**The Speaker:** I call upon the Third Elected Member for West Bay to deliver the Prayers.

**PRAYERS**

**Mr. Cline A. Glidden, Jr.:** Let us pray.

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

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

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

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

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

**Proceedings resumed at 10:05 am**

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

**Apologies**

**The Speaker:** There are no messages or announcements.

**PRESENTATION OF PAPERS  
AND OF REPORTS**

**Financial Statements of the Port Authority of the  
Cayman Islands—31 December 2003 and 2002**  
*(Deferred)*

**The Speaker:** I notice that the Honourable Minister of Tourism, Environment, Investment and Commerce who is responsible to lay these Reports on the Table is not present. I do not know if the Honourable Leader of Government Business would like to ask that these be deferred until later in this sitting.

**Hon. D. Kurt Tibbetts:** Yes, Madam Speaker. I would beg for that to be deferred, perhaps, until later on or tomorrow morning.

**The Speaker:** So ordered.

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

**The Speaker:** The Honourable Leader of Opposition.

**Question No. 32**

**No. 32: Hon. W. McKeever Bush** asked the Minister responsible for District Administration, Planning, Agriculture and Housing to give the new timetable for the Constitutional Modernisation for the Cayman Islands.

**The Speaker:** The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** No new timetable has been set for the Constitutional Modernisation exercise.

**The Speaker:** Are there any supplementaries?  
The Honourable Leader of the Opposition.

**Supplementaries**

**Hon. W. McKeever Bush:** Thank you, Madam Speaker.

Is the Member saying that from what was said here in a parliamentary question some months ago, and from what the Governor said and from what was said on a news radio show (I guess it was by the

Leader—that there is no new timetable) that there is only the timetable that was given previously?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the Leader of the Opposition is referring to various public utterances made. The Leader of the Opposition would well know that those statements were spoken as opinions. The question asked was a specific question. However,, so as to ease minds, the reason the answer was given as it was is because there is no firm timetable set.

However, when we visit London very shortly, it is intended for us to have preliminary discussions with representatives from the Foreign & Commonwealth Office with a view to developing a timetable with regard to consultation meetings, local consultation, and a clear attempt to bring the matter to an end.

The Honourable Leader of the Opposition will also be aware of a copy of a letter (which I gave to him earlier this week) which basically sets out where we go from here, but with full understanding that there is no firm timetable set at this point in time. As soon as talks ensue and we are able to do so, certainly we will be consulting with all of the representatives to agree on a way forward.

**The Speaker:** Are there any further supplementaries?

Now that the Minister of Tourism has arrived, Madam Clerk, I think we can go back to the Presentation of Papers and Reports.

## PRESENTATION OF PAPERS AND OF REPORTS *(Recommitted)*

### Financial Statements of the Port Authority of the Cayman Islands—31 December 2003 and 2002

**The Speaker:** The Honourable Minister for Tourism, Environment, Investment and Commerce.

**Hon Charles E. Clifford:** Thank you, Madam Speaker.

I beg to lay on the Table of this Honourable House the Financial Statements of the Port Authority of the Cayman Islands, for the years ending 31 December 2002 and 2003. Thank you.

**The Speaker:** So ordered.

Does the Honourable Minister wish to speak thereto?

**Hon Charles E. Clifford:** No, Madam Speaker.

## STATEMENTS BY HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

**The Speaker:** I have received no notice of statements by Ministers and Members of Cabinet.

## GOVERNMENT BUSINESS

### MOTIONS

#### Government Motion No. 06/2005

**“A National Consensus on the Future of Education in the Cayman Islands” (Report of the National Education Conference held on 2<sup>nd</sup> and 5<sup>th</sup> September, 2005)**

**The Speaker:** The Honourable Minister responsible for Education, Training, Employment, Youth Sports and Culture.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker.

I beg to move Government Motion No. 6/2005 entitled, A National Consensus on the Future of Education in the Cayman Islands (Report of the National Education Conference held on 2<sup>nd</sup> and 5<sup>th</sup> September, 2005):

**WHEREAS the Government believes that human capital and education are the cornerstones upon which hinge the social, economic and cultural well-being of our society;**

**AND WHEREAS the Government was elected on a mandate to improve education in the Cayman Islands as a priority;**

**AND WHEREAS the Government is firmly committed to the consultative process and to consensus building;**

**AND WHEREAS in July 2005 the Government announced its intention to hold a National Education Conference with the theme “Defining Challenges, Finding Solutions, Together” (“the Conference”) to allow all stakeholders concerned with the quality of education to discuss the critical issues and to agree broad paths forward on the core issues facing the delivery of education in the Cayman Islands;**

**AND WHEREAS the Government invited the Media to engage the general public in discussions about the issues and solutions for education in these Islands and those views of the general public as gathered by the media were presented to the Minister on 30<sup>th</sup> August, 2005, and subsequently formed part of the report of the Conference;**

**AND WHEREAS the Conference was held on Friday 2<sup>nd</sup> and Monday 5<sup>th</sup> September, 2005, at**

the Mary Miller Memorial Hall and was attended by more than 550 delegates from all of the stakeholders in education including representatives from pre-schools, private schools, home school associations, students, recent graduates, the business community, the Education Department, the Schools' Inspectorate, the media and the general public;

**AND WHEREAS** groups involving representatives from the different sectors discussed the qualities they wished to see in Cayman's school students and also worked in peer groups to debate the strengths, concerns and solutions relating to the curriculum, personnel, education service and other related issues;

**AND WHEREAS** feedback from the groups was then compiled, issues prioritized and a consensus identified by the Conference delegates;

**AND WHEREAS** the findings of the Conference ("the findings") have been compiled in a report entitled "A National Consensus on the Future of Education in the Cayman Islands" (the Report);

**AND WHEREAS** the Report also contains an analysis of the findings of the Conference, the policy implications of the findings and strategies to bring about the desired changes:

**NOW BE IT THEREFORE RESOLVED** THAT this Honourable House does endorse the Report of the National Education Conference of 2<sup>nd</sup> and 5<sup>th</sup> September 2005 entitled "A National Consensus on the Future of Education in the Cayman Islands";

**AND BE IT FURTHER RESOLVED THAT** the Report of the National Education Conference of 2<sup>nd</sup> and 5<sup>th</sup> September, 2005 entitled "A National Consensus on the Future of Education in the Cayman Islands" be adopted as the blueprint for reform of the Education Service in the Cayman Islands.

**The Speaker:** Government Motion No. 6/2005 has been duly moved and is open for debate.

Does the Honourable Minister wish to speak thereto?

**Hon. Alden M. McLaughlin, Jr.:** Yes, Madam Speaker.

*[Pause]*

**The Speaker:** Honourable Leader of the Opposition, would you prefer to move your amendment at this time? The Standing Orders say it can be done anytime between the Speaker putting the question and the debate concluding.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

I thought it best to move the amendment after the Minister moved the Motion and before debate begins on the substantive Motion.

**The Speaker:** You have that choice because the Standing Order says that you can move the amendment anytime between the Presiding Officer putting the question and before the conclusion of the debate thereon. It is my intention to debate the amendment prior to the conclusion of the substantive Motion because if an amendment is carried and we have not disposed of the amendment, it means we have to go back and debate the Motion as amended. I will accept your amendment at this time.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

Yes, I thought it best that it be moved at this time and, if accepted, then it is incorporated for full debate in the substantive Motion. If it is out the door, well, we will not have that prerogative.

In accordance with the provisions of Standing Order 25(1) and (2) I move—

**The Speaker:** Honourable Leader, before you start I must tell the House that I have waived the two days' notice necessary to bring the amendment. You may now proceed. I apologise.

#### **Amendment to Government Motion No. 6/2005**

**Hon W. McKeeva Bush:** Thank you, Madam Speaker.

In accordance with the provisions of Standing Order 25(1) and (2), I, the Honourable W. McKeeva Bush, Leader of the Opposition, seek to move the following amendment to Government Motion No. 6/2005:

**Whereas the Honourable Minister of Education has duly circulated Government Motion No. 6/2005, and the Report of the National Education Conference under confidential cover to all Members of the Legislative Assembly;**

**And whereas this said Report of the National Education Conference has not been made available to the general public for their consideration and feedback;**

**Be it therefore resolved that the Government refer the Report of the National Education Conference to the general public for consultation;**

**And be it further resolved that the Report of the National Education Conference be referred to the Conference Delegates for consideration and, if approved, be implemented by the Government as the blueprint for reform of the Education Service in the Cayman Islands.**

**The Speaker:** Is there a seconder?

The Fourth Elected Member for West Bay.

**Capt. A. Eugene Ebanks:** Madam Speaker, I beg to second the Motion.

**The Speaker:** The amendment to Government Motion No. 6/2005 has been duly moved and seconded. Does the honourable mover wish to speak thereto?

The Honourable Leader of the Opposition.

**Hon. W. McKeever Bush:** Thank you, Madam Speaker. I shall be brief at this point.

The amendment is self-explanatory. In short, we believe that the document, such as it is, needs to be circulated to the general public for the public to know what the House is being asked to agree to today. We further believe that all the delegates of the Conference ought to have sight and knowledge of what the document before us is saying and its intended results.

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

The Honourable Minister of Education.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker.

I am delighted by the Opposition Leader's seemingly new-found interest in education and in the consultative process; however, his Motion ought to be entitled '*Round and Round the Mulberry Bush*'.

Madam Speaker, I invited all Members of the Legislative Assembly—including the mover and seconder of this [amending] Motion—to attend the Conference on 2<sup>nd</sup> and 5<sup>th</sup> September 2005. Neither the mover nor seconder attended the Conference, and perhaps that is, in part, the reason why they appear to have missed the fact that the Report before this Honourable House is a report of the findings of the Conference. Those who have compiled the Report have faithfully documented the findings of the delegates at the Conference. That is point number one.

Point number two is that the widest possible consultative process was adopted in the run-up to the Conference. We sought input from every stakeholder in education, which essentially means every person who lives in these Islands. We all have a vested interest in education if we have any stake at all in this community.

It seems to me that either the Leader of the Opposition and his colleagues have been away from these Islands for an extended period or they have been in a long hibernating sleep over the course of these past couple of months. To ensure that they are properly edified about the steps that have been taken by the Ministry and this Government to ensure that what we do have represents a national consensus on the future of education, I would like to refer to the following:

We issued a number of video and audio public service announcements, one entitled "It Takes a Village," on the broadcast media from the week of 18<sup>th</sup>

August to Friday 2<sup>nd</sup> September, at least twice per day on each of ten media, airing at least 280 times over 14 days. This is a conservative estimate because many media would have run this spot several times in the course of a day.

Just prior to this debate beginning, we ran another PSA entitled "The Education Plan is Ours—Like Turtle Stew." The PSA aired at least twice a day on eight broadcast media from 8 October to present, a total of some 80 times. I personally voiced another public service announcement which aired at least twice per day on eight broadcast media, from 8 October to present, a total of some 80 times. Community Calendars carried the message to contact MLAs in some eight broadcast media, from 8 October to present, a total of some 40 times.

The message of all PSAs was: '*Get in touch with your MLAs, communicate your views and everyone must get involved.*' This had far-reaching impact and was widely reported to have been heard and well-received.

In addition is the media involvement. First, the Education Conference was the subject of regular Cabinet briefings, which I held almost every Friday. In addition, the Ministry held a formal press conference on 10 August to unveil the concept and invite the media to a working dinner with the Minister to hear their views.

The Chief Information Officer and Conference organiser, Mr. Gareth Long, had a working lunch with media shortly after the press conference to discuss their gathering of information from the public in order to ensure that they did report to me the public's views. Additionally, Madam Speaker, the media pursued the following fact-finding methods of their own:

The broadcast media held some eight to ten talk shows from mid-to-end of August, involving some 90 listeners calling in. Cayman Islands Television Network (CITN) did a '*man in the street on camera*' survey and turned that into a news item. The print media produced two editorials that generated several articles drawing attention to the importance of education and the Conference. The three print media websites solicited online feedback on the Internet, including *Cayman Observer* which used its *Newsflash* electronic newsletter targeting opinion leaders soliciting their input.

The Minister met with media for a multimedia presentation at a working dinner on 30 August. This information was also prepared in a document which was presented to me that night and which all Conference organisers also attended.

Education officials, including the Permanent Secretary, Members of the Organising Committee, and I, appeared on nine different radio programs to explain the aims of the Conference and that the outcome would become the blueprint for education in the Cayman Islands. Press releases issued by the Minister—we issued some ten of these—drew attention to

the Conference and to the importance of public involvement in education.

The Conference opening itself was attended initially by some 650 people. Approximately 550 delegates took part in the conference process, including representatives from the public sector, the private sectors and the business sector, parents, children and a cross-section of public sector personnel. The Conference itself attracted wide media coverage sending the message that education was everyone's business.

Until this point, neither the Leader of the Opposition nor the seconder of the Motion expressed any interest whatsoever in what was going on, or in the outcome of the Conference. In addition, the Leader of the Opposition—who was Leader of Government business for three and a half years—led a government that neglected education and the need for education reform in this country.

This Government is committed to doing more than making nice-sounding speeches full of sound and fury but signifying nothing. We are going to do something about the situation with education in these Islands. We are entirely committed to the consultative process. I believe we have gone beyond any effort ever made in this country to ensure that what is contained in this Report represents a national consensus.

However, what is proposed this morning by the Leader of the Opposition and his colleagues is simply a crude attempt to derail the process, and this Government will not allow that to happen.

There is nothing to prevent the Government from going ahead just on the basis of the manifesto on which we were elected. It articulates in considerable detail the way we view education and what ought to be done. However, this Government did not adopt that approach. We decided, notwithstanding our view—which was compiled as a result of our inquiries and consultation over the course of three and a half years—that we would take an additional step to ensure that the stakeholders, those who are really involved in the education process, had an opportunity to say what is wrong with the system and what ought to be done to fix it. We have done that and we have the Report.

Armed with the Report, Madam Speaker, I need not have brought this Motion to give Honourable Members the opportunity to debate it. I could have simply laid it on the Table of the House, as has been the case many times in the past. In fact, most of these sorts of reports get '*deep sixed*'. There must be half a dozen in the Ministry of Education up at the Glass House that have never seen the light of day! But, no, that is not the approach of this Government and that is not the approach of this Minister.

I have circulated the Report to Members so that they have an opportunity to see what it says. They may ask their constituents about it and have the honest and fair opportunity to say to this Honourable House and to the Government, '*We think that this*

*strategy which you are proposing ought to be amended in this way or it is bad for this reason.*'

I should explain that the Report is essentially in three sections: One is the findings of the Conference and, as I said, those have been faithfully reported in the document. The second significant area is the policy implications of those findings. The third, and probably most important from the Government's perspective, is the strategies to give effect to the findings of the Conference.

What I seek to do today is give all Honourable Members of this House—but in particular, Members of the Opposition—the opportunity to suggest to the Government that this strategy ought to be amended in a certain way, or that we have missed an important strategy, or that we have got a strategy wrong. We are prepared to take those suggestions on board, which is why the document, in its present form, has not had wider circulation. However, once this process is completed, we will take this document and, if necessary, rewrite those aspects of it which the Government is prepared to accept (the suggestions and recommendations from the Members of the Opposition in particular) and produce a hardcover version of the document for general circulation. I hope those are ready by the end of next week.

We will not allow what is being proposed here now so that this process is derailed and like every Government that has gone before, years go by while our children suffer from neglect because no one is prepared to step up and make the changes that are necessary. This Government and this Minister are going to make sure that that does not happen. Therefore, I regret and I am disappointed that the Leader of the Opposition would adopt this approach this morning, particularly since I know that he, too, was disappointed in the performance of the last Minister in this regard.

The Leader of the Opposition—who has been around this process for 20 years—ought to understand the importance of moving expeditiously on matters such as these.

**Hon. W. McKeever Bush:** Oh, McKeever knows.

**Hon. Alden M. McLaughlin, Jr.:** And, Madam Speaker, He ought to be careful starting down this road. He need only look at the example of what happened to the former Minister of Education—who has been sentenced to retirement and obscurity because of lack of performance.

This Minister may well demit this office at the end of this term, if that is the will of the people. However, it will not be because of a lack of commitment, or a lack of drive or a failure to carry through the mandate.

Thank you, Madam Speaker.

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

The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

I listened with great care to the contribution by the Honourable Minister. Let me first say that the Minister seems to be labouring under the erroneous position that this Motion suggests that he did not take a consultative process.

**The Speaker:** You are speaking about the amendment to the Motion?

**Mr. Rolston M. Anglin:** The amendment to the Motion . . . that the amendment is somehow saying that he did not take a consultative process in regard to where he has gotten thus far. As well, he seems to be labouring under the faulty assumption that this amendment is in some way saying that what is outlined in this Report that we were given on 10 October is not necessarily a true and accurate reflection of the views of the delegates.

The third issue he seems to have with this amendment is that he suggests in some way this is going to derail the process and cause it not to be as expeditious as he believes, and quite honestly we all agree, it should be.

Firstly, he outlined his public relations strategy, and I have no problem with that. I heard one of the ads up until yesterday on the radio. The problem I have is that the ad on the radio told the people of this country to contact their MLAs and ask them to support—to support!—the move afoot. However, on 10 October this Report was circulated to all Members under confidential cover. How is it that the public can call MLAs to support something that is circulated under confidential cover to Honourable Members of this House on 10 October? What is today's date, 12 October? I am not surprised that I did not receive any calls from anyone asking me to support what was going on.

The last resolve to the amendment reads: **“And be it further resolved that the Report of the National Education Conference be referred to the Conference Delegates for consideration and, if approved, be implemented by the Government as the blueprint for reform of the Education Service in the Cayman Islands.”**

With everything that the Minister has outlined—which we on this side have confidence is an accurate reflection of what has happened thus far—it therefore would lead one to inevitably conclude that getting this Report ratified would be a non-issue. Therefore, if getting it ratified is a non-issue, the Minister can proceed with the haste and urgency that we all agree he needs to proceed with.

The other plight the Minister has brought is that he did not need to come here to this House to move the Motion in this way. I agree. If the Minister looks at the last resolve of our amendment he will see

as clear as day that that is exactly what this resolve is trying to achieve—the best of both worlds.

What this original Motion is doing is coming to the legislative branch of government, the executive—and the Minister has constitutional responsibility for the subject of education—asking us to endorse the Report. Further to endorsing the Report, it is then asking us to resolve, as a legislative branch, that this be his blueprint because he currently sits in the seat of the Minister of Education.

I have great concern with the way in which the original Government Motion is worded, hence the reason for this proposed amendment. If the Minister wanted public debate on the issue, there are other ways that could have happened in this Legislative Assembly without coming here, as the Minister with constitutional responsibility, to seek to politically bind this House into this Report.

**An Hon. Member:** All we have to do is vote against it.

**Mr. Rolston M. Anglin:** So you see, as has just been uttered from across the floor, all we have to do is vote against it. That is exactly how crafty the original Government Motion is and has been put together, and that is the process that is being put forward by the Honourable Minister because he knows that no Member of this Legislative Assembly dare vote against education!

*[Inaudible comment from Members]*

**Mr. Rolston M. Anglin:** Madam Speaker.

**The Speaker:** We are debating an amendment to Government Motion No. 6/2005. Honourable Member for the district of West Bay, would you continue your debate, please? Thank you.

**Mr. Rolston M. Anglin:** Madam Speaker, at the end of the day I believe that we can easily achieve what the Minister seeks to accomplish without going along this route.

You see, this has other very serious implications. Quite frankly, if I were the minister of housing, or the minister with responsibility for waste management, or responsibility for health, or the minister of tourism, this exact same route that is being followed would certainly be the route I would follow with any major policy implementation I desire. I would say to the House, *‘Look. I am being open and I am being consultative. I want your input and I want to make sure that I bind this House and get support from this House. Then I could tell the public ‘Look. This part of it did not go quite right, but remember, I took it to the House. We all made that decision.’* That runs contrary to the way the system is designed to work. I know the Minister of Education knows that quite well—probably better than me, as a trained lawyer.

The Minister has constitutional responsibility for the subject of education. He has outlined clearly



the great lengths that he and his Ministry have endured to produce what is called "A National Consensus on the Future of Education in the Cayman Islands", "Defining Challenges, Finding Solutions Together". No one disputes that. No one is suggesting, for an instant, that what is in this Report is not the final findings and views of those who attended and participated in the Conference. What we say is that the Minister has a constitutional authority and a constitutional mandate to act as a Member of the Executive, as a Member of the Cabinet.

He comes now to the legislative branch of Government and totally blurs those lines to the point that his Motion asks the House to endorse and further, to authorise him to use this as a blueprint. I see nothing in his Report or in his implementation mechanisms outlined that refer to an Executive Committee that has constitutional standing, authority and power to oversee the implementation. He asks the Members of the Opposition, the entire House including the Backbench Members of the Government, to support and endorse the Report without providing us any basis upon which to endorse or approve it as a blueprint. He does not provide us any mechanism to have a say in the implementation.

Suppose tomorrow one of the recommendations contained in here looks good and is supported by the delegates, but when the Minister goes to implement it he runs into a hiccup and he sees an issue that was not seen at the time. Then he says, 'Well, I really cannot go down that road for X, Y, Z reasons.' Will the Minister come back to amend the blueprint and inform the House, 'Well, that particular item now must be struck from the blueprint. So because you have given authorisation for the blueprint for change, we now want to change that?' Suppose something else comes up that will also be added. Is the Minister going to come back and say, 'This is amended'?

Madam Speaker, at the end of the day the Minister knows that there is no Member in this House that does not want to see education be the best it can be. In 2000 every public meeting that I had I began 'Education, education, education.' That is all I spoke about.

I am young. I went through the system. I was one of those guinea pigs in 1988 that had to suffer through ill-thought changes in education. I understand what happens when ministers seemingly roll out of bed one morning and make changes. You are the student, picking your subjects and, all of a sudden, you are told that you are not doing GCEs or CSCs, you are now doing GCSCs. The curriculum has completely changed. So I will openly say that the Minister has gone to great lengths to get where he is and I do not dispute that.

He spoke of hibernation. The Opposition was not in hibernation, the Opposition stood in this House and told the Government and the country that we

were going to be reasonable and we were going to allow the Government to get grounded and produce its budget because it needed to work. It needed to ensure that this country moved forward positively.

You see, Madam Speaker, the Minister used to sit in this exact seat. He clearly knows, understands and remembers—and I know the Leader of the Opposition remembers as well—

**Hon. W. McKeeva Bush:** I remember.

**Mr. Rolston M. Anglin:** —that when he sat here he was not nearly as reasonable

**Hon. W. McKeeva Bush:** Nearly?

**Mr. Rolston M. Anglin:** —as I am.

[Laughter]

**Mr. Rolston M. Anglin:** If the previous Government had moved a motion like this, there would have been marches in the streets. There would have been calls for democracy being under threat.

The Minister—a trained lawyer—clearly understands what he is doing with this Motion. Therefore, I say to the Minister that I have no issue with the debate, but I believe the resolves that seek to bind in the way they do are a very carefully orchestrated political move.

I know we can all forget. The Minister is not perfect; nor am I, nor are any of us. However, I did take some offence to the fact that the Minister, when he opened his contribution to this amendment, made note of my absence from the Education Conference but did not point out that I explained to him personally that I was not well. I had minor surgery and I did not think I could attend. If I was well I would have been there and the Minister knows that.

I think the Minister clearly understands now what this amendment is trying to achieve. I believe that if he were reasonable he would also agree that this amendment will in no way hinder or derail what it is he seeks to do. When it comes to the substantive Motion and actually debating the details of the Report, the Minister clearly understands that we want him to get on with it, as the last resolve in our amendment says.

Madam Speaker, I have a four-year-old and a one-year-old daughter. I have been through the system and I have a lot riding on the future. I have gone on to get as much formal education as I think that I will probably get in this life. The Minister has young children, and many of the Members of this House have young children who are still going through the system. There are also the children to come.

Change needs to be made. We need to move forward. However, in doing so I do not believe that the Minister should take the Opposition's hibernation to

mean that they are asleep at the wheel. I do not believe that the Minister should take that as a sign of weakness. I do not believe that the Minister should take that to mean that we will not carefully consider what is before us. That is all we are doing. We are carefully considering what is before us and the mechanics of what it will achieve politically.

I notice that the press is here. He did not mention that in the list of accolades he was bestowing upon the process. Therefore, I will add that one and congratulate him on that as well. That is good.

My understanding is that this is going to be recorded and broadcast in its entirety. It is being broadcast live on Radio Cayman. Again, that is very reasonable. Kudos to the Minister! They can print that in the paper too. I honestly and truly do not care about those sorts of things.

The bottom line is I think the Minister now understands where we are coming from with the amendment. Perhaps there is something in the amendment in terms of how it is worded that we do not see, particularly the way the Minister has seen, and perhaps it may need to be tweaked. However, at the end of the day this amendment gets what the Minister wants—on with it!

Thank you, Madam Speaker.

**The Speaker:** Does any other Member wish to speak? If no other Member wishes to speak, does the honourable mover wish to exercise his right of reply?

The Honourable Leader of the Opposition.

**Hon. W. McKeever Bush:** Thank you very much, Madam Speaker.

I think the seconder of the Motion did a good job after he rose behind the Minister. Of course, the Minister could not help taking his political shots; this is a House of politics someone said some time ago. I want to reaffirm to him that what I said when I was standing outside of the counting station on election night was that I was going to be a different Opposition than what I had to contend with, and I meant that.

I am not here to derail any good program because, the fact is, if you read what they are attempting to do and the policies they are attempting to put in place, while there are going to be some differences in how it is done, the end result is for the betterment of the country. Their manifesto is not much different in what is going to be done for the country than ours. There is not attempt to derail the process.

He took the time to point out that I did not attend the Conference, but the Government, in fact, knew where I was going to be for a couple of weeks. I explained what I had to do. Nonetheless, I did pay attention to some of the newscasts, the radio call-ins and the PSAs.

He went to great lengths to explain how many public service announcements he had done to explain the Conference, but a PSA surely cannot say what the recommendations would be; they cannot tell the public

that. So the public would have no way of knowing what we are asked to agree to today.

I believe that something like what is being attempted, the revamp of the education system and these recommendations, ought to go to each district and be explained to the people in each district because this is not stopping the West Bay dock; this is not having Desmond Seales get up and say that someone is being investigated; this is dealing with the children of this country!

You hear me raising my voice, Madam Speaker, because it still burns me up until this day that I had two children go through the system that was changed in midstream! I know the inadequacies of the past, not 20 years—go back to the senior school and go back to the secondary modern school and what they did to some of us. I have told that story many times in this House.

What I want, whether it is our administration or the present administration, is to get it right—if we ever can get it right, because you know what? We will not please every teacher; you are not going to be able to please every Member of this House; you are not going to be able to please every administrative Department of Education (if we still have one of them left).

He said that we led a government that did nothing about education. You know, Madam Speaker, I would never say that about anyone because the Member knows that is not true. The inadequacies that exist now you would probably go back and find some of them for many, many years. It happens often when you put square pegs into round holes.

The truth is I really do not know (when he talks about reports in the Ministry) that having another conference with glossy reports will change. Yes, there are good reports and programs within the Ministry. I do not believe that this House should let go unchallenged that nothing was done in the past four years, because that is not so. Perhaps there was not as much as I wanted, not as much as I would like to have seen done, but the fact is many good things have been done.

I do not want to derail this process. We too believe—and the Minister knows that—there are changes to be made and changes that must be made. Really, I am not here to say that nothing has been done. I have said publicly that Improving Teaching and Learning in the Cayman Islands (ITALIC), for instance, is one of the very good programs put in place by the last administration and is still there. ITALIC is a good [programme] for preparing our children and grandchildren and those that have to teach them for this new technological age that we live in. So we want to get on with the business of the education of our children and providing for them.

Let us not throw a lot of politics into it because I too know politics and I can see some of the moves being made. We hear all sorts of things that once were not good but are good today; things that should

not have been done are now good to have, so good that we now go off and teach other Islands about tourism. *Ha! Ha!*

Madam Speaker, it is no good to just throw everything away, take a sheet, stamp it *People's Progressive Movement* and say 'I did it and so that is the best thing to happen'. No!

Let us get on with the business. Will they accept this [amendment]? I do not know. I do believe that the Minister would serve himself and our children better if this matter and its recommendations were taken to each school, or each district to the school, and allow the school to have a meeting and explain down the line what is being recommended and what is going to be done.

Madam Speaker, I could say a lot more in reference to what the Minister of Education had to say, but I will not. All I will say is that when he talks about 'seemingly new interests', I have always had the right attitude and the interests of the children of this country in mind. Anything that I could do for them I did it. There are things which were out of my realm to be done. I am not an educator and I was not trained to be one. I believe sometimes that the best thing that can happen is to allow those people who have gone to university for training to get on with the job. The Government's job is to set the right policy and say, 'Follow it.'

I hoped to get an answer this morning as to who is incompetent because we would like to know, and we would like to know what is being done about it. When you have problems, as the Minister claims he had, and if he cannot get his work done, then he needs to get to the right people.

*[Inaudible comments from Members]*

**The Speaker:** Could we stop the cross-talk and complete the debate on the amendment, please? Thank you.

**Hon. W. McKeever Bush:** We will get to that one later on. If they want a fight they will get it one of these days. However, I will tell you, Madam Speaker, we have a lot of work before us and education is one which we should not be fighting about.

We intend to work with the Minister. We are going to do all we can to support him, but we cannot do that blindly, and I am not going to do so blindly.

**The Speaker:** The question is: **Be it therefore resolved that the Government refer the Report of the National Education Conference to the general public for consultation;**

**And be it further resolved that the Report of the National Education Conference be referred to the Conference Delegates for consideration and, if approved, be implemented by the Govern-**

**ment as the blueprint for reform of the Education Service in the Cayman Islands.**

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

**Ayes and Noes.**

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

*[Interjections]*

**The Speaker:** I'm sorry, the Noes have it. I apologise.

**Hon. D. Kurt Tibbetts:** Madam Speaker, may I have a division, please?

**The Speaker:** I certainly apologise for that result. The Noes do have it.

**Hon. W. McKeever Bush:** We know you did not mean that.

**The Clerk:**

**Division No. 2**

**Ayes: 5**

Hon. W. McKeever Bush  
Mr. Rolston M. Anglin  
Mr. Cline A. Glidden, Jr.  
Capt. A. Eugene Ebanks  
Mrs. Juliana O'Connor-Connolly

**Noes: 11**

Hon. D. Kurt Tibbetts  
Hon. Alden M. McLaughlin, Jr.  
Hon. V. Arden McLean  
Hon. Anthony S. Eden  
Hon. Charles E. Clifford  
Hon. George A. McCarthy  
Hon. Samuel W. Bulgin  
Hon. G. Kenneth Jefferson  
Mr. W. Alfonso Wright  
Mr. Moses I. Kirkconnell  
Ms. Lucille D. Seymour

**The Clerk:** 5 Ayes, 11 Noes.

**The Speaker:** The result of the Division: 5 Ayes, 11 Noes. The Amendment to Government No. 6/2005 has therefore fallen away.

**Negated by majority: Amendment to Government Motion No. 6/2005 failed.**

**The Speaker:** I will take a 15-minute suspension at this time.

**Proceedings suspended at 11:13 am**

**Proceedings resumed at 11:33 am**

**The Speaker:** Could I have the microphone for the Minister of Education turned up, if any microphones are on at all?

The Honourable Minister of Education.

**Hon. Alden M McLaughlin, Jr:** Thank you.

Madam Speaker, this is an auspicious day made no less so by the earlier preliminary scrim-

mage. I do not intend to let that event mar this occasion, its significance, importance, or indeed, its gravity. I am well aware and need no reminding by the Leader of the Opposition that changes to our education system must be carefully thought through. That is why I chose to take the road I did in seeking to build a foundation to develop a plan which will give this country the ability to create what I intend to be among the best education systems in the world.

Madam Speaker, it is a great honour and privilege for me to sit as Minister in this office at this very exciting and positive time. It is an even greater privilege for me to have the ability today to move this important Motion for the endorsement by this Honourable House and the adoption of the Report of the Education Conference 2005 entitled "A National Consensus on the Future of Education for the Cayman Islands". The Report is seminal, not only because of the way it has been developed, that is, by seeking input from the stakeholders in education across the breadth of this community, but because of the changes it proposes.

What is being proposed in this Report is not a minor repair job on the education service. Indeed, the Report proposes to usher in a change in education in these Islands. What is particularly unique about this Report—unlike any other report that has ever been produced in education in these Islands—is that this one is entirely home grown. It is our own people who have told us what the issues are and what ought to be done about them, and I give this honourable House the assurance that the findings of the Education Conference delegates have been faithfully recorded and are documented in the Report.

Madam Speaker, armed with this Report we, as a Government, are poised to do what we said we would do about education on all its many fronts. Implicit in the process which comes to culmination with the bringing of this Motion to this honourable House is an agenda for a multi-year planning process which seeks to refocus education from a hierarchical structure to a child-focused framework and to do so with the full support of the entire community of these Islands. I am very proud to be a part of that.

As the Honourable Leader of Government Business said on Monday, in bringing this Motion today we deliver on the promises made during the recent election campaign. In relation to the consultative approach, which is part of the philosophy of the People's Progressive Movement and is a critical component of the way this PPM operates, we deliver the first instalment on the change agenda for education in these Islands.

In the PPM Manifesto we said, and I quote: **"The PPM believes that human capital and education are the cornerstones upon which hinge the social, economic and cultural well-being of our society. The PPM believes that it is Government's responsibility to foster a culture of life-long learning and self-improvement among the people of**

**the country. Likewise, it is part of Government's role in education and training to set standards, to promote educational and vocational excellence and to reward achievement. We also believe that it is Government's duty to provide the nation—children, young people and mature adults alike—with learning facilities, programmes and opportunities which are relevant to both their aptitude and to the skills required by the industries in these Islands. This necessarily requires the recognition by Government of the concept of multiple-intelligences and the need to tailor school curricula to include vocational training as well as core academic subjects. To achieve these fundamental goals Government must, at a minimum, allocate sufficient resources to the development of education. Those resources include policy and curricula development, human resources and the physical plant.**

**"We recognise that in order to truly benefit from the robust and vibrant economy that a PPM administration will ensure, all persons in these Islands must be given access to both the tools and the opportunity to participate to the full extent of their abilities in the workplace and the marketplace. That means they must have the benefit of the best education system and product we can afford and a level playing field in the job market."**

Madam Speaker, that is the PPM's philosophy on education. In that document we pledged to make education a priority of the Government. We also pledged to conduct a review of the entire Government Education System to identify the shortcomings and provide corrective measures to ensure that all children acquire the needed academic skills to function in school and, ultimately, in the workplace.

There are many other things which deal specifically with matters that ought to be addressed in the education system. Based on that manifesto, the PPM Administration could simply have gone ahead with educational reform based on the overwhelming mandate which we received at the polls. However, that is not our style and it is alien to our philosophy. We wish to ensure that adequate consultation had gone through and that, as far as possible, we obtained a national consensus for the fundamental changes which we believe—and still believe—the education service of these Islands requires.

Following my election to Cabinet and my appointment as the Minister with responsibility for Education, I visited every Government school in these three Islands including the Education Service in Little Cayman. I spent many hours talking to the teachers within the system and stakeholders across these Islands about the issues and concerns they had with the provision of education service in these Islands and the quality of the product that the Education Service is producing.

During one of these visits to the Alternative Education Centre the Principal, Mr. Raphael Daniels, suggested to me (as we talked about these matters) that the way forward was to hold an education conference. A conference would allow all of the stakeholders to air their views and seek to reach consensus as to what the concerns were and what needed to be done to improve the education service and the quality of the education product in these Islands. Madam Speaker, that idea resonated deeply within me. Within two days I had concluded that was the way forward, and we put the wheels in motion.

I have to take the opportunity now to pay tribute and express my sincerest gratitude to the core group of people who really worked overtime to make sure the Education Conference happened and that its organisation, as we ultimately saw, was almost perfect.

I wish to first pay tribute to the members of the conference organising committee. The Committee was chaired by Mr. Gareth Long, School Development Advisor; and the Vice Chair was Mrs. Helena McVeigh, the Chief Inspector of Schools. Also on the Committee were Ms. Debbie Thompson, Principal of Montessori by the Sea; Mrs. Debbie McLaughlin, Principal of John Gray High School; Mr. Raphael Daniels, Principal of Alternative Education Centre; Mr. Winston Connolly, an attorney at Walkers; Ms. Tara Bush, Public Relations Officer from the Ministry; and Mrs. Shari Bovell, Principal at Lighthouse School.

Madam Speaker, I also take the opportunity to sincerely thank the sponsors of the Conference: Ernst & Young, in particular, Mr. Jude Scott who was actively involved; and NCB Consulting, in particular, Mr. Naul Bodden. Both made substantial financial contributions which permitted the Conference to go ahead and be organised at the very high level that it was.

I also thank the Report Writing Committee, chaired by the Permanent Secretary in the Ministry, Mrs. Angela Martins. It also included Mrs. Mary Rodrigues, Deputy Permanent Secretary; Mrs. Helena McVeigh, Chief Inspector of Schools; and the tireless Mr. Gareth Long, the Senior Development Advisor.

What we have is a Report which is our own in every sense of those words. Not only are the findings and recommendations the work of our own people, but the Report itself was written by our own people.

Because I know there are a lot of concerns raised about these recommendations and whether or not this honourable House ought to adopt them, this process of debating this matter in this House has been described (most remarkably by the Second Elected Member for West Bay) as undermining the democratic process.

I have been struggling since then with how we undermine the democratic process by allowing Members of the Legislative Assembly the opportunity to debate the Report. Unfortunately, the answer to

that still eludes me. Because of that concern, I will take a few moments to talk about how we went about obtaining input from the broadest possible cross-section of this community.

Madam Speaker, the object of the Conference was **“to allow all stakeholders concerned with the quality of education to discuss the critical issues and to agree broad paths forward on the core issues facing the delivery of education in the Cayman Islands.”**

**“This focus on education mirrors [the current international focus on raising standards], not least from the United Nations which identified four strands for achieving high quality education: (a) recognition of the challenge; (b) collective responsibility and constructive partnerships; (c) acting with determination; and (d) the indivisibility of human dignity.”**

**“To ensure the widest possible feedback from the public, a major coordinated initiative was launched with a range of media, representing television, radio and newsprint organisations, coordinated by Government Information Services. The public was invited to write, phone in or be interviewed.”**

**“For the conference itself, representatives from pre-schools, private schools, parents through their PTAs and HSAs, current students, recent graduates and the private sector joined all teachers from government schools and staff from the Education Department and the Schools’ Inspectorate.”**

The conference was held over two days, the 2<sup>nd</sup> 5<sup>th</sup> of September [2005] at Mary Miller Memorial Hall. There were in excess of 550 delegates that took part in the interactive sessions, although numbers at the opening ceremony exceeded 650. The conference was designed to enable all delegates to identify the qualities needed in Caymanian students, to identify good practice within the Education system, to raise issues of concern and identify possible solutions to these issues.

**“The conference was formally opened by His Excellency the Governor, Mr. Bruce Dinwiddy ... [and] by the Leader of Government Business, Hon. Kurt Tibbetts.”**

In my keynote address I urged all Conference delegates to speak freely as I exhorted them then with the words: **“We want the real picture ... we don’t want you to mince words ... you have to be able to speak freely.”** I stressed to the gathering that I came to the Conference **“with a commitment to working together”** as I told them **“we must have the constructive involvement of all of us in order to achieve our goals, to come up with the solutions.”**

I gave a personal commitment to the young people of the Cayman Islands that **“we will work tirelessly to improve education in this country; we**

**will constantly evaluate our progress in the interest of always doing better.”**

Madam Speaker, against that backdrop the Conference proceeded.

Day two of the Conference introduced the perspective of the private sector concerning the service and the quality of school leavers. The keynote address by Mr. Conor O’Dea, the Managing Director of Butterfield Bank, discussed what he called, “the tremendous skill shortage in the labour pool both technical and vocational.”

He also noted, **“Presently, the educational achievement level of most school leavers is inadequate for the needs of business and without investment the labour force skill base may be obsolete by 2010.”** He proceeded to note that the Cayman Islands has the advantage of size; being small we can make changes and assess the impact of these changes very quickly. He expressed serious concerns about the long-term unless, and I quote: **“we create a highly skilled workforce that meets the needs of employers in all industry sectors ... we desperately need the education system to produce more productive young adults for the benefit of the community at large ... we need to unlock and further develop this talent and creativity not only in the educational environment but in the work place.”**

**“If the education system turns children into competent young adults ready to face the harsh realities and challenges of adult life, then the educators have succeeded.”**

Very instructive, very insightful words from one who has lived here for nearly twenty years, who leads a major bank in these Islands and who sees firsthand the skills—or lack thereof—of young people coming out of high school at entry level and going into a business environment to work.

Apart from the keynote address, the conference itself was largely interactive with delegates working in a mixture of groups. Totally mixed groups discussed the qualities they wished to see in Cayman’s school leavers. Areas of curriculum, personnel, education service and other issues were discussed in peer groups to encourage maximum input from delegates. The responses from day one were compiled before day two to allow delegates the opportunity to prioritise issues, leading to the beginning of an identification of a national consensus.

With the Conference over, the next step was to collate and capture the issues and the spirit of urgency expressed with them, and to turn that into a comprehensive report which could then be brought to this honourable House. This Report which I bring for debate today is that Report.

Far and wide across the three Cayman Islands input has been sought and received. I must take the opportunity now to express my gratitude to all concerned with this effort and to extend this Government’s gratitude and thanks for the tremendous

role which the media played. Their role continues even now as they encourage the community to seek out their respective representatives for any input prior to the acceptance of this document by this honourable House.

Today’s proceedings are being broadcast over Radio Cayman and, ultimately, over CITN. I also see many other members of the print media present.

This is not the first Government to identify weaknesses in the provision of education services for these Islands, or, indeed, the first Government to claim that they are a matter of national priority. Members of this honourable House will recall the Millet Report which identified many shortcomings in the provision of service by the Education Department’s performance and recommended vast changes in all aspects of its work.

Then there was Vision 2008 and the National Youth Policy which called for significant reform in the way we administer the education service in these Islands and for the improvement of the education product. What happened to the Millet Report, or Vision 2008, or the National Youth Policy? The answer is, very little. Five years and two governments later we still have no action plan.

Some restructuring of the Department of Education did take place and job descriptions were rewritten, but then this work was handed back to the same Education Department to carry out. In the end, staff was reshuffled to operate under a new job description.

Previous Governments have also fallen short by failing to recognise that the weaknesses identified in the Department of Education could not be tackled in isolation, but that changes proposed needed to be supported by changes in the administration of the system as a whole—the Ministry, Schools’ Inspectorate, University College, Education Council and the schools themselves. This Government is determined to take action to improve the effectiveness and efficiency of the Department within the context of securing improvements in how we do business in all areas of the education service.

An education service that is managed effectively and efficiently to focus clearly on supporting school improvement and raising educational standards is critical to the delivery of a world-class education service. We have to take whatever steps necessary to ensure that our education services meet these standards.

Madam Speaker, you will note that I have been using the term “education service” freely. This is deliberate, because I have come to understand that it is a service that we are bound to deliver to the young people of these Islands. I think that often the service aspect of it has been overlooked.

The Conference attendees have provided us with a critical framework within which to focus our efforts. I will now talk about what those findings were.

The Conference attendees developed a definition of an educated Caymanian and the qualities that individual ought to have: **“An educated Caymanian will:**

- **Be enthusiastic and motivated about learning, and will continue to extend his/her knowledge and skills after leaving school.**
- **Be literate, numerate and adept at using information and communications technology.**
- **Be a good communicator.**
- **Be creative and appreciative of art in all its forms.**
- **Have a positive outlook and a high self-esteem.**
- **Be well-rounded, good at finding solutions to problems, flexible and adaptable to changing circumstances and demands.**
- **Have a strong work ethic and willingness to become an honest, reliable and responsible member of the workforce.**
- **Be respectful of God, him/herself, others, people from different backgrounds, the environment and property.**
- **Be proud of and knowledgeable about the Caymanian culture, whilst respectful of other cultures and beliefs.**
- **Be a good team player, civic-minded and willing to serve.**
- **Have an awareness of global issues affecting all aspects of life in the 21<sup>st</sup> century.”**

Having defined the educated Caymanian, delegates then went on to give their views on critical aspects of the education system:

**“Curriculum: The term ‘curriculum’ is generally taken to refer to all courses of study that a school offers, both academic and non-academic. It can also include activities such as clubs and sports, which are organised after school and during lunch breaks.**

**“The need to improve aspects of the school curriculum was identified as a priority by nearly every conference group.”**

Whilst they saw strength in the existing system, they heralded the need for improvements of all aspects of curriculum. Suggestions for improvement included:

**“1. The need for a greater emphasis in our high schools on programmes of technical and vocational education and life skills was identified as a priority in every working group, as well as from a significant proportion of media respondents. In addition, participants suggested that students should be better prepared for the world of work through improved career programmes, work ethics training and work experience.**

**“Several respondents spoke of the need to improve the status of the so-called blue-collar professions, both amongst students and the**

**community, so that these become seen as more attractive career options.”**

It was noted that **“continuity between different phases of education needs improving. Conference delegates reflected that there is an insufficient link between what is done in different year groups and, especially, between primary and secondary schools. The current National Curriculum does not help bridge the transfer and there has been little support for schools in this area.**

**“This [particular] issue was highlighted by two-thirds of the conference working groups.”**

Another related point that was made was that **“the content of the current school curriculum is excessive and, in some cases, inappropriate for given age groups. There has been a tendency to keep adding bits to the curriculum as they assume national and international importance, but not to remove anything. Hence the curriculum has become overloaded and bogged down by content. A consequence of this is that teaching focuses on getting students to remember facts at the expense of more active learning that involves the development of transferable skills such as communication and problem solving.**

**“A few respondents called for greater clarity about whether schools should be following an American or British curriculum. At present, they reported, there is a mixture which leads to some confusion. Primary schools are using American commercial schemes for language arts, for example, while the high schools adopt the British/Caribbean [external] examination system...**

**“Nearly three-quarters of groups focused on special educational needs as an area that needs to be reviewed. They called for better and earlier identification of students’ learning needs and more help with remedial work to enable students to catch up with their peers. They also recommended that schools should acknowledge the range of learning styles of students and recognise the notion of ‘multiple intelligences’, for all students, not just those with special needs.**

**“Several media respondents commented on the need for greater attention to the teaching of students with particular gifts or talents, who they felt are under-served in our schools.”**

Another recommendation was that there is a need for a standardised preschool curriculum. This was suggested by one-fifth of the groups. They also proposed more regular monitoring of preschools.

**“In summary, the main thrust of these recommendations is the call for a comprehensive review and revision of the current National Curriculum and how students are assessed, for all levels and stages of education, from pre-school to high school and beyond.”**

I now turn to “Personnel issues”. **“The areas highlighted under personnel issues included sala-**

ries, conditions of service, professional development, recruitment, promotion and many more.”

Strengths identified in the current system included:

- Good student- teacher ratio in schools.
- Diversity of teaching staff and a multicultural workforce.
- Further study is promoted and paid for, and study leave provided, for example for master’s degrees.
- Committed and dedicated staff.
- Some good professional support.”

The following are the main priorities that emerged from the feedback under personnel:

“1. The desire for an increase in pay for educators was expressed by all of the groups. A few respondents also attached the need for greater accountability by teachers to accompany better remuneration.

“A few groups suggested that staff should be paid more for extra responsibility which does not always happen at present.

“2. Every working group also recommended that there should be more relevant professional development opportunities for teachers and teachers’ aides. They proposed more equitable and open access to training for all staff, and for courses that lead to accreditation.

“3. Nearly every group suggested that there should be more supply teachers, and more trained support staff, teachers’ aides and assistants for students with Special Educational Needs.

“4. The recruitment process [for teachers] came in for criticism by nearly all groups, with the suggestion that it needs a complete overhaul. Proposals for improvement included: greater involvement of principals in the selection of new staff; clearer processes; speedier response to advertising and recruiting; and the application of the principle of equality of opportunity.

“Half the groups also called for a more transparent and equitable promotion process and for succession planning.

“There was a significant appeal for the encouragement of more Caymanians into teaching, along with greater regulation of teachers’ qualifications and the suggestion of an all-graduate profession.

It was noted that “Teachers often feel undervalued and that their opinions are not respected—an issue which was of concern to nearly half of the groups.

“6. Issues to do with performance management were identified as significant by just under half of the groups. They suggested the greater use of a consistent and fair appraisal process, accompanied by support for weak teachers, and incentives to keep good teachers in the classroom. At least three groups noted the need for an

appeals process following appraisals and for teachers to be asked to contribute to the appraisal of senior staff.

“Many of the issues raised point to a need to reduce bureaucracy and to improve systems and communication at all levels. There needs to be explicit criteria and transparent systems for every aspect of personnel-related work.”

The Education Service, itself, the Ministry, the Education Department and the Schools Inspectorate.

“The strengths of the Education Service comprised a list of 82 points, including:

- Well resourced schools, with adequate staffing and funds.
- The fact that the Ministry is open to improvement.
- Aspects of the Schools inspectorate, including link inspectors, feedback given, support for self-evaluation and provision of conferences.
- Schools are given professional development days.
- Good support from some curriculum officers.”

“The following proposals are those most often cited by working groups and other respondents [coming out of the conference].

“1. Every group called for the need for much clearer policies and processes, particularly in relation to admissions, complaints, discipline, staffing and recruitment. Once the policies are established, parents need to be informed [they suggested].

“2. A high proportion of the groups recommended changes to the way school inspections are run. Suggestions included being less overwhelming, more positive and supportive and not publishing reports. Some groups also proposed reviewing the use of overseas inspectors and, in one case, suggested abolishing the Schools’ Inspectorate altogether.

“3. Two-thirds of groups consider that schools and principals should have greater autonomy in running their schools and more control over their budget.

“4. Half of the groups recommended greater clarity about the roles of Education Department staff. They said that officers were not always very supportive, and visits to schools were infrequent.

“5. The management of the Education Department was also identified as a priority for improvement by a third of the groups, in terms of the need for better planning, foresight, greater consistency and more timely communication. . . . Maintenance and improvement of school buildings and consideration of, for example, providing wheelchair access was also seen as a priority.

“In summary, respondents are calling for more efficient and effective management systems



**and clearer identification of roles and responsibilities, with a more supportive approach to schools. They have requested greater transparency about decisions at all levels of the Ministry and for greater autonomy for schools.”**

There is another section of the Report that deals with Other Issues. This section deals with issues raised by the groups and other respondents, which are not covered by the preceding areas.

- **“Strengths identified in this section were wide-ranging and included:**
- **The National Children's Festival of the Arts and music programmes (which came in for high praise).**
- **The nurturing attitude of schools towards students.**
- **Good transport system to and from school.**
- **Grounds maintenance staff who keep the schools in a good condition.**
- **Availability of counsellors in schools.**
- **Availability of the associate degree programme.”**

The number of recommendations arising in this section is, similarly, very wide ranging. The most significant and frequently cited issues are summarised as follows.

The role of parents was the topic most frequently reported as an 'Other Issue'. The need for parenting classes was identified in nearly half the groups, with a proposal for regular good-parenting evening classes.

There were felt to be some major social issues in Cayman that impacted on schools and that were not being tackled in school or elsewhere with enough determination; for example, racism, drugs, gangs, and teenage pregnancy.

Several respondents called for greater community involvement in schools. There were suggestions for greater sponsorship of education by businesses and schemes such as 'adopt a classroom'. The idea of taxing companies to contribute to the education budget was put forward. Other ideas included: members of the community acting as learning mentors for students and greater participation by employers in work placements for students.

The need for a teacher-training facility on the island was also identified.

The relationship between the Education Service and private schools was raised by at least one group. They commented on the lack of support that private schools receive from subject officers in the Department of Education.

One recommendation was that the remit of education service should be broadened to include training of prison inmates and adult literacy classes. Some other suggestions included:

- **Need for 24 - hour security in schools.**
- **Exploring more apprenticeships for early school leavers.**
- **Expanding the Alternative Education Centre.**
- **Reducing the isolation experienced by the Sister Islands.**

**“Specific Sister Islands issues: Most of the areas that have been given already were also identified by the feedback sessions held on Cayman Brac. Some issues that are peculiar to the Sister Islands, or were mentioned more often by them, included:**

- **Need for much better sports facilities, more clubs and more physical education lessons.**
- **Need for the provision of alternative education.**
- **Consideration of an extra year in high school and introduction of advanced level courses.**
- **Need for access all the peripatetic teaching available on Grand Cayman.**
- **Need for more staff workshops and professional development opportunities.**
- **Need for a technician to support ICT.**
- **A call for salary scales to be equal to those on Grand Cayman.**
- **Need for travel allowance for teachers to get to Grand Cayman.”**

Madam Speaker, in summary form, these were the findings of the conference delegates and from them a number of significant policy implications have been distilled.

Policy Implications: **“All children should leave school with the knowledge, qualifications and life skills that will help them thrive in the 21st century.”** This is, in essence, the central message and challenge arising from the Cayman Islands National Education Conference 2005. It is what our students and parents have said they want. It is what employers and the wider community have told us is required and it is what our teachers say should be at the heart of the education service.

Where, then, does our current education service stand in relation to this goal? The feedback from the conference and the media (and through the media, the public), clearly establishes that, while there are strengths, there is much room, and an urgent need, for improvement.

The feedback helps us identify policy priorities. It is clear that if education is to be improved there needs to be a number of changes.

We need a new model of governance for the education service, which places students firmly at the centre—not the Ministry; not the Department of Education; not the School's Inspectorate. Their purpose is

to support the advancement of the education of the students:

- **“We must place students' needs and interests at the forefront of decision-making within the education service.**
- **We must delegate authority for decision-making to the schools, where the responsibility now lies.**
- **We must ensure that the work of every educational institution—including the Ministry—is realigned to focus on serving the students and providing support for their learning”**

We must have a commitment to raising educational standards and providing a curriculum that is relevant to the interests and needs of all of our students and of the country:

- **“We must ensure that all our children have equality of access to a broad, rich and enjoyable curriculum, which offers high-quality learning opportunities that meet their needs.**
- **We must ensure that all our children benefit from high-quality teaching and learning.**
- **We must believe that every child can learn, and ensure that there is a commitment in our schools to work with all students to improve their performance and to overcome obstacles to learning.**
- **We must set targets and raise expectations for our students' performance: for year-on-year increases in overall attainment; increases in the proportions of our students achieving acceptable standards of literacy and numeracy; and for improvements for under-achieving groups.**
- **We must ensure that we provide educational facilities that enable the delivery of a world class education and meets the growing demand for school places.”**

We must provide greater support for enhancing the leadership and management of schools:

- **“We must help our school leaders to develop the professional judgment, confidence and competence to commit their schools to the pursuit of excellence, and where the main drive for improvement comes from within.**
- **We must encourage our schools to innovate in the way they teach and in their internal organisation, and to build on their distinctive strengths and ethos.**
- **We must establish clear standards and expectations for teaching and learning, and provide teachers with advice, guidance and support on how to improve.**
- **We must encourage schools to work together to share and spread best prac-**

**tice.**

- **We must establish a central role for information and communication technology (ICT) in our reform agenda, and fully realise its potential to transform teaching and learning and to improve the collection and use of data to support decision-making.**
- **We must help schools to build more effective partnerships with parents and other stakeholders to enhance the quality of learning within the classroom.**
- **We must improve the way we handle personnel arrangements, to ensure our schools and other educational institutions are staffed with highly trained and motivated practitioners, who are empowered to take on a leading role in school improvement.**
- **We must provide high quality initial teacher training programmes and continuing professional development opportunities for our school staff.**
- **We must support and guide the reform efforts at school level with national programmes of curriculum and policy development and support.”**

There must be greater ownership and accountability for performance:

- **“We must set clear targets and expectations for improvement in students' achievements and the quality of education provided, and hold people accountable for them.**
- **We must benchmark the performance of our education service against the performance of other regional and international education systems.**
- **We must have clear rationales for expenditure in education, which are tied to student outcomes and enable us to demonstrate value for money.**
- **We must provide incentives for principals and teachers to produce greater student achievement.**
- **We must continue to monitor, evaluate and report on the strengths and areas for improvement in the standards achieved by students and the quality of education provided by schools and other institutions.**
- **We must clarify and expand the remit of the Schools' Inspectorate, to include defining, evaluating and reporting on all aspects of standards and quality assurance mechanisms within the education service.”**

Those, Madam Speaker, are the policy implications distilled from the findings of the conference

delegates. I now move to the strategies developed by the Ministry to bring about the changes. It is this particular area where the input, especially, from the Opposition, will be most valued because the conference delegates have said what they said. The policy implications that have been distilled are fairly obvious. It is the strategies (that are the responsibility of the Ministry and the Government to develop and implement) that are very much open to debate and open to amendment.

One of the principal reasons for bringing this report to the Honourable House in this manner was to give the Opposition, in particular, the opportunity to suggest to the Government possible changes to the strategies which we have developed to give effect to the changes that have been proposed by the conference delegates. I hope that that opportunity will be taken when I sit down. I am most anxious to hear what the Opposition may have to say about those strategies and ways that we can improve upon what the Government has articulated.

Like most other countries around the world engaged in educational reform, the Cayman Islands acknowledges the need for "a world-class education service", to enable our children to compete successfully in the global economy. The 2005 National Education Conference challenged the country to identify the strengths, weaknesses and opportunities within our education service and what its end product should be, in terms of the knowledge, skills and qualities our students should possess.

The conference feedback also identified others priorities such as: educational opportunities for prisoners and young offenders; adult continuing education, including adult literacy; parental education and support. This has challenged the Ministry to review its role and responsibility for education within a much broader context.

In summary, the 2005 National Education Conference has provided a national mandate for change. In response, outlined below are specific strategic measures that will be taken by the Ministry to achieve a transformation of the education service in the Cayman Islands.

The first, is the **"development of an administrative framework for a new education service, redefining, rationalising and reassigning core functions for education amongst schools, the Schools' Inspectorate, the Education Department, . . . the University College and all other organizations and stakeholders that support the delivery of education.**

**"At the end of this exercise we will have a framework in which students are at the centre of our education system. We will have clarified roles and responsibilities within the education service, and will have developed the most appropriate structure, systems and processes to take our education service forward."**

**"The second is to establish "a taskforce to oversee and guide the review and revision of the Cayman Islands' National Curriculum."**

**"The National Education Conference has given us a clear steer as to what our stakeholders want our education system to provide, both in terms of content and the knowledge, understanding and skills they want our graduates to leave with.**

**"The taskforce will be asked to use this feedback to:**

- **Prepare a National Curriculum statement, establishing the guiding principles for the revised curriculum, including entitlements and expectations for students, and support for equality of access and opportunity for all.**
- **Provide guidance and support for the review and redevelopment of the National Curriculum, to include consideration of current and new areas of priority identified by stakeholders [at the conference].**
- **Provide support and advice for the development and implementation of national policies to support the revised National Curriculum, in areas such as teaching and learning, assessment, and links with parents and the community."**

The third strategy is the **"development of an Early Years unit to set standards, evaluate performance and support improvements in day-care centres, pre-schools and Reception programmes."**

This unit will be charged with developing:

- **"National standards to cover provision and outcomes in early childhood education and care settings.**
- **Indicators of good practice to support the standards.**
- **Plans for an inspection programme and self-evaluation model for early childhood and care settings.**
- **Handbook for early years staff and inspectors, with guidance on standards and on the curriculum.**
- **A template for an annual report on early childhood education in the Cayman Islands."**

The fourth strategy is the **"establishment of a Human Resources (HR) unit within the Ministry, with a Deputy Chief HR Manager dedicated to personnel management within education."**

Madam Speaker, this is a critical strategy.

With 360 teachers in the system and with the constant and perennial complaints about recruitment and the management, in particular, of the teaching staff, it is critically important that we develop a dedicated HR section devoted entirely to education service matters.

**“The Ministry’s human resources unit will work collaboratively with the various educational institutions to tackle the range of personnel issues, including recruitment, retention, training and professional development, benefits and staff morale. The unit will be tasked with:**

- Regularizing and improving HR policies and practices within the education service
- Reviewing teachers’ salaries and conditions of service, including recognition and rewards for good performance, as a matter of urgency.
- Establishing entitlements and obligations in the areas of training and professional development for teachers.
- Developing effective induction and mentoring programmes for newly-qualified teachers and teachers new to the island, and career-development programmes for educators at all levels.
- Coordinating professional development programmes that respond to national priorities for education, as well as the needs of individual schools.”

The fifth strategy is **“The development of a unit with responsibility for careers education and guidance and for providing the services of a scholarship secretariat. This unit’s responsibilities will include:**

- Providing guidance, support and resources to enhance and extend careers education and guidance services and programmes in schools.
- Administration of scholarships and educational grants within the areas of education, youth and sports, and on behalf of other ministries.
- Tracking student performance and job placements, and providing ongoing support for students on government scholarships.
- Liaison with tertiary institutions.

Strategy number 6 is **“A review of core business processes within the Education Department service, including budgeting, purchasing, asset management and financial reporting. The objectives and scope of the review will include:**

- Documenting and evaluating the current practices and procedures.
- Identifying ways to improve their efficiency and effectiveness, taking into particular account the recent improvements in technological and information systems.

- **Developing a plan to devolve responsibility for budget management and control to school principals.**

Strategy number 7 involves **“Improvements in the availability, quantity, quality, analysis and use of educational statistics, including students’ test and examination data, to inform planning and policy making at all levels of the education service. This will include the following initiatives:**

- Standardized student data collection and reporting, to establish the system-wide use of consistent data definition, collection and reporting practices, through the implementation of standardized student information systems in all primary and secondary schools.
- School performance reporting, to implement systems to allow publication of students’ test and examination results and school improvement plans and progress on a consistent basis throughout the entire school system.
- Information to improve students’ achievements in the classroom, to provide information and help teachers to identify performance trends for individual students and student groups, and to formulate and implement appropriate interventions.
- School leavers’ analysis and intervention, to develop teachers’ analytical capabilities to identify students at risk of dropping out of school, and to implement effective intervention strategies.
- Post-graduate results tracking, to implement post-secondary tracer studies, to track the education and career choices and achievements of students graduating from the Cayman Islands government school system. Use the data to guide decision-making on policies and programmes within schools and on the career services provided for students.”

Strategy 8 is **“The development of technical and vocational education and training (TVET) programmes at primary, secondary and post-secondary levels, to enable students to develop skills and aptitudes in a wide range of technical and vocational areas and to develop good work ethics. This work will include:**

- Development of partnerships and consultation with relevant government departments, industry and commerce, schools and the University College, as well as clarification on regional obligations and commitments in the area of TVET.
- Preparation of guiding principles for TVET, defining its nature and place

**within the school curriculum and within further education and training.**

- **Establishment of standards and systems for vocational education and training across the Cayman Islands.**
- **Establishment of clear routes of progression for TVET that start in school and move on to further education, apprenticeship and work.**
- **An audit of current provision for TVET, to identify strengths and areas for development within the new TVET agenda.**
- **Identification of resource needs of institutions to take forward the new TVET agenda, including accommodation, appropriate ICT hardware, software and in-service training.**

The 9<sup>th</sup> strategy is **“The development of a strategic plan for the maintenance and further development of educational facilities. This work will include:**

- **A review of current maintenance programmes and procedures for educational facilities at all levels, to assess effectiveness and value for money.**
- **An assessment of the capacity of current facilities to cope with projected growth in enrolments and changes to the curriculum, in the short, medium and long term.**
- **Preparation and prioritization of development plans for each educational facility and for new schools.**

Strategy 10 is **“The development of high quality initial teacher training and continuing professional development opportunities for teachers. This work will involve:**

- **The establishment of a teacher training programme**
- **The development of a range of continuing professional development opportunities focused on the identified needs of staff within the education service”**

Those are the ten strategies being proposed by the Government as part of the reform of our education service.

Madam Speaker, today is a historic day for us as a country. We have asked our people what they wish an educated Caymanian to look like and they have told us. We asked them what improvements are needed to ensure we can achieve this and they gave us clear answers.

Today we face a single imperative—improve our education system at whatever the cost for the future of these beloved Cayman Islands or face the bleak reality outlined by Mr. Conor O’Dea at the con-

ference when he said that **“the educational achievement level of most school leavers is inadequate for the needs of business and without investment the labour force skilled base may be obsolete by the year 2010.”**

Madam Speaker, the choice is stark, the urgency is clear. We cannot, and will not delay another moment.

Recognising the urgency for remediation I am pleased to report today that a finance review is currently underway which seeks to have to take a holistic look at the workings of all finance related activity within the Department of Education. This report is expected to be completed by 28 October 2005 allowing the requisite transition plan to move into implementation as the planning process for the 2006/2007 Budget cycle begins later this month.

Additionally, I can report that we now have a Deputy Chief HR Manager who took up office on 3 October 2005, and she has already begun to deal with a range of HR issues such as the filling of vacant posts and the development of succession planning and the introduction of the Ministry’s Retirement Policy.

Madam Speaker, the Government has received tough messages from the stakeholders in our education system. They have told us that the way we administer the education service of these Islands must change, and they have also told us that we must improve the quality of the education product we deliver. Our response is to accept those hard truths, take the difficult decisions and make the critical changes that are necessary to improve education in these islands.

Change brings disquiet, resistance, and even casualties. But we must change—and change we shall. I gave a personal commitment to the young people of these Islands to work tirelessly to improve education in this country, to constantly evaluate our progress in the interest of always doing better. I stand by that commitment.

The Report before this honourable House is the work of many. This is not the Minister’s Report, it is not even the Government’s Report, it is the people’s Report. Madam Speaker, as I indicated earlier I have brought it to the House in this form which will allow for further amendments, improvements, suggestions and recommendations to the strategies by the Opposition. That is deliberate because we want as much input as we possibly can.

**Hon. W. McKeever Bush:** Oh yeah?

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, I invite the contribution of the Opposition to this most important vehicle for change in our approach to and our management of education in these Islands. It is the right of every Caymanian citizen and every resident of these Islands to have access to quality educa-

tion. By that I mean that every child should have equitable access to a broad, rich and enjoyable curriculum, high quality teaching; a school environment with visionary leaders which sets no limits on achievements but encourages high standards for all and has in place effective measures to ensure that all children reach their full potential.

Madam Speaker, I say with no apology that this is not our current education service. Our current education service and the way it has been administered, for far too many years has undermined the needs of our children. Far too many are underachieving, demotivated, feeling marginalised and leaving school with very little to show for the many years in the classroom, and with few hopes for any type of meaningful career prospects.

The matter therefore is not whether we should change the way we manage education or not, the fact before us is that we cannot afford not to.

Madam Speaker, I commend this document, A National Consensus on the Future of Education in the Cayman Islands, to all my Honourable Colleagues and I ask for their support for the motion which is before this House.

Thank you.

**The Speaker:** Honourable Minister have you laid the Report in order that Members may be able to debate it since it was sent out under confidential cover?

**Hon. Alden M McLaughlin, Jr:** Thank you, Madam Speaker. I am pleased to lay on the Table of this honourable House the document entitled, National Consensus on the Future of Education in the Cayman Islands.

**The Speaker:** So ordered.

We will take the luncheon break at this time. Proceedings will resume at 2 pm.

**Proceedings suspended at 12.45 pm**

**Proceedings resumed at 2.02 pm**

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

Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

This is a very important debate. As I intimated this morning, I would have preferred that this document had been sent to the districts via the schools or the Minister himself so that one and all could have input. The fact that several hundred people dealt with it . . . I believe it to be more important to give those people who would be interested, to come forward with suggestions.

This affects the children of this country. We have had changes in education before. This is not

new. But what is new is a new government wanting to put its stamp on the whole education matter. I made it absolutely clear that we believe that there must be some changes. I can congratulate the Government on its public relations campaign on this emotional area of our children's education, but public relations to that extent (PSAs and so on) will not do the trick. I like my contribution to be about facts.

I have had some chance to go through this document. It is a small document, nevertheless, it is far reaching. When you read one page, while it is small, it is like you are trying to come to grips with many pages because of the substance of the matter.

As I looked at it over the past two days . . . it is a pretty document, a beautiful document, in fact I call it the "feel good" document. I wonder how much of the substance is new in this pretty document. It purports to be a blueprint. We know what a blueprint is: it is a detailed plan for a project, or in this case the reform of the education system.

While the Minister still has the audacity to say that we have not done anything, in fact the way he started his speech was that I led a Government which did not do anything about education. It must have been tongue-in-cheek—and far up in the cheek too!

Madam Speaker, it would have been better if the Minister had come and said that there are things that are working in the Education Department—of course it would have been hard for him to say that because he had already gone on the radio and said that everybody is incompetent.

The Minister said he did not say that but I asked the question, and I would have loved to have gotten the answer this morning, it would have been a good time so that there would be no speculation as to where and who is incompetent.

They said that nothing has been done. From here on in I am not going to sit back as I have done in the past five months, listening, trying to see where Government is going to say that certain things have not been done.

I would have liked to have had the authority to see that people did more. But I did not have that kind of authority as the Leader of Government Business. No doubt the present one does not have it [either]. If they do not want to do it, I do not know how he is going to make them do it. There is no constitutional arrangement, and if there is a party arrangement, then, so be it; but I would like to know how.

I would have loved to have been able to say . . . for instance, the Health Services was not ready to be made into a Health Services Department (and that has been my position for a long time). You cannot carry people along where people do not agree. But, of course, the Minister was one of those who got up here and beat his chest, and while he was beating his chest he had a long stick beating me on the other side because I did not agree with it. But, so be it. The Government—the majority—said let us go into an authority. I will have more to say about that later on, but

that is just an example. But until constitutional changes are made where Ministers write their leaving certificate when they disagree . . . that is not the case now.

Madam Speaker, the Minister came to office in May 2005 saying that the education system had failed. We anticipated a bold new direction for education, we anticipated that the Minister would assess what he found, strike out strongly to come to grips with the problems, as he saw them, the problems we acknowledge remain to be addressed.

The Minister had a lot to say about the Education Department, in particular the leadership. I am still waiting to know who he is talking about. But the one question I do have is, has his barrage of words done anything but alienate the very people on whom he must rely to deliver his policies? This is my concern, and I have a right to be concerned about it!

I do! Yes.

The teamwork that they boast does not seem to extend to his colleagues in that department.

I have tremendous confidence in the Deputy Permanent Secretary and other staff members. From what was laid to us in Cabinet just before the elections and at various points throughout the years, they had come to an agreement as to where the weaknesses and strengths lay. I believe they have documented how to proceed.

Madam Speaker, this document—The National Consensus on Education—which the Minister has not put out for public comment prior to this debate (from what I can see) and as I listen to him again [it] is a rehash and a good public relations exercise which offers some solutions that have been on the table for some time and recognised by the Ministry. There is nothing new in it: Old wine in new bottles; or, in this case, ideas dressed up in pretty words.

While he says he has had feedback, when you go back to the very people who have given input to check to see whether they agree with what the word masters have made of their contribution . . . that is good feedback. And that is what consensus is about—people agreeing that this is the way forward. As I said, he would take it further from there to the country via the districts because it is everybody's children.

My problem is that the document has nowhere acknowledged (and neither has the Minister) the good work which has been done to bring education to the point it has reached. We do not know if the six hundred people who contributed to this document agreed that these are the issues because the feedback loop has not been closed. But the Minister wants this honourable House—in particular the Opposition—to close it.

He says this is a document of six hundred people, this is not the Government's document, this is not our findings, and he now wants the Opposition to give him our feedback. Why only the Opposition? It is

good that you want us to say something about where we think things should be going. That is our job. What about the rest of them over there? If this is not their document shouldn't they be saying where, what and how things should go? I would think so!

I imagine that when I sit down you will see a hive of activity to beat McKeever over the head! We shall see. I still have one and three quarter hours.

It brings together in this one "feel good document" what the general public wanted us to be working towards. I have no problem with the document as a concept document. For example, no one can disagree with Outcome 1 which says "qualities that we want our students to have by the time they graduate from high school." Madam Speaker, sometime ago a citizenship curriculum was developed for all key stages, that is, primary (years seven to nine), junior high school and senior high school, and it was implemented. Citizenship education was one of five education policies developed by the United Democratic Party Government and two of the programmes put in place to deliver this, apart from the curriculum, was the Cadet Corps and the Coaching for Success Programme.

On Outcome 2—the School Curriculum, we have all been beating up on the school's curriculum for years. You hear that the curriculum is not right and that is why Mr. So-and-so can get up at a conference and say that children coming out of school are not able to get a job because they cannot hack it, so it is the curriculum to blame. We hear that is why some students are not making the grade, because of the curriculum. There is no doubt that the curriculum for high school needs to be revised. That is one of the things we agree on. I hope that the curriculum unit as envisaged will do this. But schools must be involved and principals cannot be allowed to say, "my staff are too busy teaching and do not have time to work on the curriculum."

As far as a curriculum which better reflects the Cayman context and culture is concerned (which is also in the book I am talking about), when teachers have to teach to a syllabi provided by overseas examination bodies they have to teach whatever curriculum content the Education Board sets. The only way around this is to have Caymanian examinations which are probably cost-prohibitive and which only the Bahamas has tried with, I understand, mixed results.

It would be a policy change to say that the Cayman Islands would only follow one examination board—the Caribbean Examination Council (CXC)—and phase out the many other examination boards which teach the British National Curriculum with no Caribbean content.

Turning to the page that deals with special education needs: Madam Speaker, I believe that the Cayman Islands has one of the most comprehensive special education policies to be found in our region.

Can the programme be improved? Of course it can be improved! Can children be identified earlier? Perhaps so. The home-bound programme run from the Light-house School, working with the Public Health Department, has an early identification program right now. But this section, I believe, is talking about early identification of students falling behind grade level, particularly in maths, language and arts. This is remediation and is already being addressed by a new program implemented under the ITALIC Programme, like Destination Math and Destination Reading.

Madam Speaker, I believe this is where the consensus building in groups falls down. If the groups did not have information about what was already happening in our schools, if they were fed only the hype that our schools were failing, then the National Conference would [not] do any more than rehash the issues and recycle the solutions that are already being worked on. There are many programmes.

In the area of student assessment, I would like to read from a document submitted by the Education Department in 2005, entitled "Four Years Achievements by Agency Education Department Achievements 2000-2005." I do not know if the Minister read it, but he should have before his National Education Conference otherwise there could not be such a massive reinvention of the wheel. They will not admit that anything good was done in education before the PPM and their kitchen cabinet experts arrived on the scene.

This document reads: "Implementation of a test development and assessment unit."

**The Speaker:** Honourable Leader [of the Opposition], are you reading from the document?

**Hon. W. McKeever Bush:** I am reading from this.

**The Speaker:** If you are reading from the document I would have to ask you to lay it.

**Hon. W. McKeever Bush:** I have been here nearly twenty-something years too, Madam Speaker.

**The Speaker:** Thank you.

**Hon. W. McKeever Bush:** I quote: "A head of test development unit was appointed and on his advice appropriate computer hardware and software programs were purchased in order to ensure optimum testing and assessment protocols and procedures. This resulted in improved objectivity and reliability of the Education Department key stage test as well as the training of teachers in marking and item writing in March 2005. The decision was taken to purchase a more up to date standardised test with plans to implement this in the 2005 summer term for years 1 through 10."

Madam Speaker, I do not need to table this, you know.

**The Speaker:** I am not asking you to table that. I am saying if you were reading from the document—

**Hon. W. McKeever Bush:** No. I understand. I was only going on to say that the Minister of Education has that document, or should have because the Ministry has it.

*[Addressing the Hon. Minister of Education]* I just want you to admit that you have it but you did not look at it.

Madam Speaker, I hope that the Education Department was not too demoralised by the comments made about them by the new Government that they did not continue with the standardised tests and other planned improvements in assessment. In fact, if you want me to say it plainer, this is one of the things the Opposition would like to see done.

*[Inaudible interjection]*

**Hon. W. McKeever Bush:** We started though, and that is the important thing.

Madam Speaker, see? Just as I thought. They get up and ask us . . . [they] bring this motion so that the Opposition can have their input, yet they sit there across the way and say, "you should have done it when you were there!"

Is that some kind of entrapment? What are they really trying? Look at the statement that they just said.

They should not have brought it here for us to debate; they should have waited until after they went to the public. It is not about how much we could complete when we were there with the disruptions we had. Again I point out to you, Madam Speaker, that the remark that this is brought so that the Opposition can have their input, and then when we say something, like the implementation of test development assessment unit—that is being worked on already (it just needed to be continued and completed)—he says, "you should have done it when you were there."

In good style, PPM. In good style.

I turn to the part about preschool education and I note that under the strategies that the Minister proposes is an early year's unit to set standards evaluate performance and support improvements in day care centres, preschools and reception programmes. I agree, in fact the United Democratic Party Government and its Minister for Education agreed so much that the Chief Inspector of Schools could write in the same document I referred to before, under agency outputs 2005/2006, to prepare a handbook for inspecting preschools, contribute to revising curriculum and standards for preschools—very obvious that curriculum and standards already existed. How else could you do it?

Three: To contribute to plans for early childhood education; Four, to recruit a senior inspector for early childhood education, again obviously the post existed in the 2004/2005 Budget.



Let me now return to the National Consensus Document there are two points on page 14 that I want to comment on: The way students are taught. I want to read the mission statement for the education section of the Ministry which was developed as far back as 1999, adopted by the Minister between 2000 and this year, and on which the Government's education programme was being built. I quote: "The mission of the Cayman Islands Government School system, a committed partnership of students, teachers parents and the community, is to guarantee the continuing development of the unique potential of each student through dynamic learning environments which are responsive and relevant to local and global demands and which promote the common good of society."

Out of that guarantee to promote dynamic learning environments for students came such programmes as the Teacher Universe, Team ITALIC and workshops on brain-friendly learning for teachers.

I am saying that while I agree the way students are taught must always be at the forefront of any education policy, the PPM Government should not insinuate that this is a new concept for the Ministry, for the Department or for the teachers, because it is not.

Secondary schools should be reorganised. Madam Speaker, this is a policy issue which our administration . . . well, starting from the end of 2000. Yet despite it being raised at the National Conference it has not been mentioned under either policy or strategy in their National Consensus Document. What happened? Did they not reach the consensus or have they seen the documents the previous Government saw when we decided against such reorganisation?

Madam Speaker, there is a lot I wish to say on the outcome of the Education Conference because you cannot disagree with people who want to improve things—they want to improve their salary, chances of promotion, job satisfaction and appreciation for the job they do sometimes in less-than-perfect circumstances. I hope they are recognised. I do hope and pray that the new Public Service Law, when passed, will address many of these concerns because teachers are civil servants and therefore it is not always possible to treat them differently than the thousands of other civil servants who work regular office hours.

While I am saying that I want to point out that I understand that new teachers from outside of Cayman receive three months plus their salary—new teachers coming in. No problem. Let us say they are getting three thousand a month, they got nine plus their three thousand—twelve. Caymanian new teachers coming into the system receive one month plus their salary—if they were making three thousand they then received six thousand. But all the teachers who were here went through the sufferings of the hurricane, stuck to their posts and received nothing except their salary. I do not know. That was what was re-

ported to me. If that is so, it is not fair and it is no wonder that morale is so low.

Madam Speaker, they need to take note.

I want to turn to another area of my debate on this matter—the Policy implications, meaning the ideas from which Cabinet-approved policy will be issued and the strategies, or the implementation plan, to deliver these policies. It says that a new model of Government for the education service which places students firmly at the centre . . . Of course there is nothing new about the policy. Principals have a responsibility to ensure that the learning and the welfare of students comes first. Whether this means being an advocate, a trailblazer, a maverick or throwing up their hands in despair, the principal of a school sets the tone for that school. Without good leadership there is chaos.

I was going through things last night and I found an old photo of Miss Genevieve standing boldly by the door watching us come in. Another one was of her and Miss Cicily Rivers together with children. I thought back on how things have changed so much, but children are still children.

I do not think that schools can be run from the Education Department or from the Ministry! If you look at good schools you will see that they have good leadership. Believe you me, we have good teachers, I can go right back to Bernice Levy, Herbert Crawford, Mrs. Shirley Kidd, her blessed memory, just at West Bay Primary in modern times. I am not well associated with all of the schools so I cannot call everyone's name, but we do have some good ones.

One of the biggest detriments to placing students firmly at the centre of the education service is political interference. It is not pleasant, and no one at the Glass House wants to admit it, but it has happened and continues to happen. If a political member does not like this or that principal, and they make their life a living hell until they have no option but to request a transfer, or accept one which is offered to resign, or to otherwise drop below the radar for the sake of their own health and that of their families too, which is affected by it. I hope that with the advent of the Complain's Commissioner, the new Public Service Law and performance based pay that we will see less of this but I expect it to get worse before it gets better.

When principals get political it has no place and it can do students no good. I spoke about that some time ago. It is no use for a principal getting up the night of graduation and talking about what they have and what they do not have, it is not the place for it. If you want to let parents know, then do it in a PTA session or otherwise. I cannot do anything; your representative cannot do anything (that is the ordinary elected representative) if he does not know. They can go to the school, they can attend, they can look around and see and if a door is needed or a window is not done then that is obviously glaring. There are other things that they might not know that are inside.

I recall those three people I mentioned earlier in my own district, they would always go to the Ministry or Department, [from] one to the next if they did not get any satisfaction, and if they said anything to the representative it would be that they had already gone to the Department or the Ministry and they were letting us know as the District Representatives to come to visit the school and such and such was the need. Getting up there does not do any good.

Politics plays too much of a role in the education system causing too much confusion, I have seen it here and seen it planned here and that is some of what is wrong today! I hope that we will see less of it.

The policy with regard to decision making must also take account of the FMI requirements for output delivery. It will not be and cannot be a new system—an open cheque where every principal can go off and take the decisions they feel best for their individual school. That is not what I am saying.

Raising education standards and providing a relevant curriculum—this policy should stipulate the proof to support if standards have indeed been raised. Publishing the high school examination results in a form that allows comparison with previous years would be a good start. Teachers must be accountable to their students as well as their employer—Government.

With regard to the curriculum and whether it should be British, American or Caymanian based, I agree that it should be student-based regardless of where the books and teachers come from. Again such a policy must look at the external examinations offered at high schools and decide what external syllabi are most relevant—not to teachers who have brought their lesson plans with them from other schools, but to Caymanian children here.

Supporting and enhancing the leadership and management of schools—Madam Speaker, Government has spent a great deal of money developing and paying for the school leadership course from the London Leadership Institute. It was envisaged that every principal would have this qualification within three years and every aspiring deputy principal would attain it before being promoted. Much good work has been done on leadership and the programme which was postponed after Hurricane Ivan should not be allowed to fall away.

I hope that the Minister is taking note of the things that we have been suggesting.

Greater ownership and accountability for performance—Accountability, accountability, accountability! We have heard a lot of words in recent years—easy to say. It is one of those words like “transparency”—good to talk about but not always easy to demonstrate. Anyway, I support this and I wish the Minister good luck. Perhaps FMI and the new personnel (HR as it is now called) will assist him. But one word of warning . . . advice, if you may. Evidence, proof that individuals actually did what they

said they were going to do. Work can be measured and results demonstrated.

Madam Speaker, this is the third and most important part of my debate because it deals with how the Minister proposes to deliver his policies and reform education—the new administrative framework. Madam Speaker, I see that the Minister proposes to review its role and responsibility for education within a much broader context. I look forward to seeing whether this broadening will involve, more or less, talk down decision making. Are we going to have more decentralisation of decision making to schools, or are we to have more centralisation by establishing the education headquarters as part of the Ministry? With all the top posts I have seen advertised for the Ministry, the Minister should be careful not to have more chiefs than Indians.

Madam Speaker, the Minister said there will be change, and we want to see some change. The Education Department has been heavily criticised for being incompetent, and promises have been made to dismantle the hierarchy. I want to ask the Minister if he is going to micromanage the Education Department through the press and on these criticisms which he has not yet verified?

The Minister and his Permanent Secretary need to answer some questions:

1. How many visits have they made to the Education Department?

2. How many meetings have they had with the staff to discuss the accusations being levelled at them?

3. Has the Minister or the Permanent Secretary sought to find out what difficulty the staff has in performing their duties?

4. . . . I will leave it at those three, Madam Speaker.

There needs to be some changes, yes. Is it really the Department that is incompetent? I am here to protect no one. No. But what I want to see is fairness.

For instance, one person at the Education Department was responsible for recruitment for all of these years. Now the Ministry has hired, from what I can see, three persons to perform that role. Are we going to get better value for money? especially when none of the new appointees has any teaching background.

One thing I look back, with regard to the Department, is that if the Department staff did not do their work, especially following the destruction of Hurricane Ivan, where would schools be today considering the Department has only one facility officer to ensure that all the physical needs of the schools are met?

*[Inaudible comment]*

**Hon. W. McKeeva Bush:** Arden, you can say it is anybody's fault. I do not think you know any better. Blame me if you want—but do something!

Madam Speaker, we have some faults with the education system. We have one problem in Cayman—wider Cayman: we sure like to blame somebody else. That is a fault that we Caymanians have—it wasn't me. If there are weaknesses there then find ways to improve the system. I believe that we can find ways to do so without causing such trauma to a group of dedicated individuals—not all of them are dedicated individuals, but, by and large, they have run the Department.

One teacher said to me “ I must tell you, sir [I don't know how you're going to take this, but she said] that Hurricane Ivan left much devastation to the people of these Islands just a year ago.” She said “we certainly can do without hurricane Alden and focus on our recovery.” One of the teachers said that.

I said I was not going to say that to you, but I thought it best you know what they are thinking.

*[Inaudible Comment]*

**Hon. W. McKeeva Bush:** Oh? It wasn't us?

There is going to be a task force for curriculum review and I think this is long overdue and the way to go. No doubt the School's Inspectorate and the working reports of inspections in all of our schools over the past four years will provide a valuable resource for this exercise.

In the Early Years Unit, as noted before this was proposed and supported under the previous administration. The question now is, who will now have administrative responsibility for the Unit? Will it be under the Department of Education (if there is going to be an Education Department)? That is a serious question. Is there going to be an Education Department? Will it be under the School's Inspectorate or the Ministry of Education? Or will we have a Chief Early Education Officer since early education falls outside the compulsory school age in the 1983 Education Law.

The fact that the Human Resource Unit is going to be under the Ministry begs the question of the Chief Education Officer's new role and how this will lead to improved communication, greater involvement of principals and recruitment and student centre teaching and learning. This is an important unit.

Careers Unit—the Minister will obviously be staffing the unit with existing staff from the Careers Office at the John Gray High School and related posts which exist to help students transition from high school to the work place or further education. The new database which allows scholarship applications to be downloaded and communications with students on existing scholarships will be very helpful here, we believe.

Improvement and educational statistics to improve planning and policymaking—undoubtedly the star student information system (which was upgraded, under the last administration) and individuals trained to understand and implement it (also under the last administration), will give the Minister a head start on the strategy. There were principals who did not want to use the Ministry-approved system and wanted to do their own thing. No doubt the Minister will learn in time how passive resistance operates in the machinery called the civil service.

Madam Speaker, although the ITALIC Programme does not feature (in so many words) in the National Education Document, it is ITALIC which has provided the infrastructure, training and impetus for this strategy.

Technical and vocational education is something that has been talked about for a long time, and is something that needs to be dealt with. The Government previously posed to tackle the TVET agenda in close consultation with our own Employment Relations Department. Much of the preliminary work for the strategy has already been done including the TVET Audit produced by Mr. Mike Ivy for the Ministry in 2004. Of course, the main strategic issue here is the agency who will have responsibility for post secondary training. Will it be the Ministry? The Department of Education? The Department of Employment? The University College? Or, as we proposed in 2004, a National Training Agency which is set up as a quasi Government Agency and includes the private sector and private schools? Yes, Madam Speaker, another recommendation from us.

Strategic plan for maintenance and development educational facilities: Do you know what amazes me? The implication throughout this consensus document is that they found nothing in place in Education when they took over in May 2005. And it does not just run with this Ministry; that is what they have been saying all along. They have been saying all along that nothing was done and everything that was done was bad, according to them. In this matter every one of our schools has a master plan for development, and most of them have a project preparation document for new facilities which had been proposed pending the availability of funds in the Budget.

The Education Ministry has had a project manager for a new building projects for several years; it has had a facilities officer, a Capital Works Committee in charge of things like building the new Prospect School. So, I do not think that the word “architects” the word “masters” should try to convince you that the Education Ministry and the Department of Education did not know what they were doing in those areas.

One thing that failed, and which I see this Government is not doing, is a public relations arm to talk with them. That was a failure.

In conclusion I turn to Government Motion No. 06. Any good-intention Motion which seeks to

improve education is a good motion, and the Opposition will support it. Madam Speaker, there are questions and things which we say we would like done.

I ask you for a break, Madam Speaker.

### Proceedings suspended at 3.05 pm

### Proceedings resumed at 3.17 pm

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

The Honourable Leader of the Opposition continuing his debate on Government Motion No. 6/2005.

**Hon. W. McKeever Bush:** Thank you, Madam Speaker. And thank you kindly for that break.

Madam Speaker, I have to wonder about the Motion when things were said by the Minister in regard to the Opposition. They say they want our input.

The Motion comes wreathed in smiles and pretty words, dragging behind it all which has been said by the Minister of Education about getting rid of people, a failed education system, about poor leadership and massive incompetence and people who have to go. It talks about consensus. How can we know if the people at the Conference—three quarters of them the teachers and the leaders of the same failed system—really agree? They have not seen the final document and will not see it if this is passed in this House as a Government motion.

Will the people not want to see some concrete evidence of their hard work, something more than an implication and a concept? Should there not be some action plan, some timeline and required empirical evidence of success to mark something as grand-sounding as a total reform of the education system?

What about the blueprint? If an architect had come to me with a sketch of a new house with only the walls, doors and windows pencilled in, I would have to say to that architect, *'Where in the world are you going and what kind of architect are you?'*

It reminds me of an old man who built an outside kitchen for my grandmother, who told her *'Okay now, the kitchen is finished.'* As she opened the door and put her hand on the doorpost, the whole kitchen fell down. Some carpenter!

I do not think that this document is a blueprint.

Education is serious business, as some politicians in the early 1990s found when they wanted to do away with the middle school and reorganise secondary education into two five-year high schools. I do not know if you remember that debate, Madam Speaker. I am told they took a list of student's names and a coin and said, *'Heads, this one goes to John Gray; and tails; this one stays at George Hicks.'* Well, the parents and students soon made short-shrift of that.

I say this to show that there are ideas and ideas when it comes to education. When it comes to

the children of this country—all of our children here, our grandchildren—the Education Ministry had better have all of their facts right and their research done before they try to change our education system.

The PPM Government, and its now famous *Red Book*, had much to say about education. They had a lot of plans, some written down and some which were just passed around among their supporters and discussed on their platforms. However, now is the time to say what they are going to do; they are in the driver's seat. Are they going to merge the Education Department and the Ministry of Education? Are they going to bring back A-levels?

I see that the Second Elected Member from Cayman Brac is raising this issue.

Are they going to reorganise secondary education into five-year high schools in Grand Cayman?

Are they going to change the Schools' Inspectorate and not publish their school-inspection findings?

Who will be responsible for post secondary training?

How will technical and vocational training fit in with the economic development of these Islands?

*I could go on and on* (as the jingle on the radio says). There are more questions than we find answers.

Reforming education will take more time than just a rush through here. I certainly will not give them the open endorsement they are seeking for this blueprint—which is not really a blueprint where you have all the facts. This just has words they are going to do. Education is certainly not an island entirely to its own. It must go hand-in-hand with further education, with employment, with tourism, economic development and so on. When he figures out how he can build on what he found, then he can come back for our complete endorsement of his plan to improve education.

But first he has to acknowledge the solid foundation that is what we have today. Pretty words, banners and sparkles; shiny, glossy paper covers, and other public relations paraphernalia will not cut it. Education is too important to the future of this country for us to just accept anything other than real improvements.

To improve something you must acknowledge and understand what you are starting out with. I have pointed out many areas that we can appreciate and we would like to see done. I say that he has to appreciate those things we began with. But he said nothing was done.

Before I offer to him my wish-list of things I would like to see done, allow me to talk about some key achievements in education:

The ITALIC program was launched to improve teaching and learning with effective use of technology. That's one.

There was a provision for state-of-the-art computers and labs in classrooms for students' use, as well as digital cameras, camcorders and LCD pro-

jectors. Teachers were provided with laptops for personal and classroom use. That's two.

Three: Enroll teachers and administrators in training programs to improve IT skills and to integrate technology into curriculum.

Four: We provided wireless access to the Internet from any site on the school grounds.

Five: We initiated a review of recruitment of Caymanians into the teaching profession.

Six: We continued to operate a highly respected and objective national inspection program and published those inspection findings.

Seven: We signed an agreement with the British Columbian Institute of Technology to accept the University College of the Cayman Islands (UCCI) technology students for transfer.

Eight: We completed the new state-of-the-art Prospect School.

Nine: We drafted and circulated for public comment a new education bill.

Ten: We established the University College of the Cayman Islands offering four-year bachelor degrees.

Think of it, Madam Speaker: never in my life, when I was going to the old high school in, I believe, 1971, would I have thought that we would have been able to boast a university college. *We have come a long way, baby!* When you go to that graduation, you see the amount of Caymanians going there, young Caymanians, those who are going to better themselves with further training. And we hear, *'You all? You no good, UDP. You did not do anything'*. Uh-uh!

Eleven: We developed a National Education Leadership program with London University's Leadership Institute, and the first class graduated recently.

Twelve: We developed the National Standards for Principals in Government Schools.

Thirteen: A major review of technical and vocational education was carried out by the overseas School Inspector.

Fourteen: We awarded scholarships to the New England Institute of Technology in various technical areas.

Fifteen: We revamped the Alternative Education Centre and provided new curriculum and new programs.

Sixteen: We awarded over 1,100 scholarships.

By the way, I do not know if there is enough money in the Budget to do all of that. I have not looked at it closely, but it appears there is need for more funding.

Seventeen: We introduced a citizenship education curriculum for primary and secondary schools.

Eighteen: We established a Cadet Corps to provide an alternative youth program in August 2001, focusing on developing citizenship skills, leadership, discipline, team work and life skills

Nineteen: We published six "Cayman Islands Social Studies", tech books for primary schools with teachers' guides.

Twenty: There was collaboration with the Department of Employment Relations for their development and ongoing programs.

Twenty-one: piloted vocational distance learning at Cayman Brac High School in a number of areas.

I could go on and on, but these are some key achievements in education.

The Minister has brought the Motion so that the Opposition will tell him what we want. As I said, the Ministry of Education had set national priorities for the next four years, and I want to read them into the minutes:

One, that the new law would be passed in the House.

Two, was the attraction and retention of quality employees, teachers especially, professional development.

Three, curriculum review—the alignment of curriculum initiatives, pre-school, primary, secondary, tertiary. School experience to include arts, culture, sports, health aspects, community service, that is, holistic individual. Civic knowledge enforced throughout the educational system, technical and vocational training opportunities as identified by the employment needs of the Islands.

Four, the acquisitions of resources, that is, all the things that the school would need: buildings, infrastructure, facilities, equipment, housing allowance for teachers and civil servants, preparation for future generations, technical and vocational training opportunities as identified by the employment needs of the Islands; life-long learning, ensuring citizens are competitive on a global scale; transferable skills; effective and efficient use of resources (that is, personnel, equipment, facilities); more academic institutions (that is, the two high schools to be built at the eastern end of the Island and the Beulah Smith High School in West Bay); the redevelopment of the John Gray High School, work expansion of the university college and the other school for George Town (primary school, I think it was); teacher training college, and the Government.

These are some national priorities that have not been completed (most of them), but these we, as an Opposition, would like to see continued.

Investors in people is a program we would like to see continued, and in that new Law (which I mentioned earlier) the National Training Agency to oversee training.

Not much has been said about ITALIC, but I do hope that the Ministry will continue with the program because it is something this country and teachers surely need. We want them to put policies in place which will make family life education compulsory. There was an agreement with WELOC Teacher Train-

ing College that will build on the work done by the university college. We would like to see that continued.

We would like to see the continuance of the program for the implementation on the work ethics curriculum that had been worked on with Valdosta Technical Training College which will assist the student with a positive attitude for work and is part of the citizen's curriculum. We have already talked about all the other areas where we need to upgrade students.

Those are the things that the Opposition would like to be done, Madam Speaker.

We would like the Minister to now reconsider his position and take it to all of the districts of these Islands and talk to the schools, with teachers and parents. It is too important for just that one Conference. Certainly, the document before us does not have any, as I say, implementation schedule, and many of the things here have been covered, but a lot of these things have not been touched. I hope that the Minister will take them into consideration.

We are not here to oppose for the sake of Opposition. I am not going to do that. I do not have the time for it and, perhaps, being at my age I do not have the stamina for it. What I do want is for this Government to do those things that they said they would do, most of them, which I say, are covered in the United Democratic Party's manifesto. In carrying out most of their program, they are carrying out the United Democratic Party. They have tried to put some mud on some of the things. They will get in trouble with it, but those things will only hurt the country if it goes their way.

I hope that the PPM understands that this is the way that we feel they should continue with the reform of education. If they do not . . . they have already rejected one aspect. Then I can say there are things that we want and we will support that. There are things that we do not believe they have a handle on, and therefore we will not be able to go ahead of that.

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

Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, whether one decides to speak at a particular juncture in a debate, really, at the end of the day, does not amount to very much. At the very outset, let me say that the general theme of my brief contribution is going to be, *'No child left behind—skills today, jobs tomorrow.'*

It is rather easy for me to talk about it because, as I said a bit earlier when we were discussing the proposed Amendment—which was rejected by the House—this is an issue that I have been talking about since the 2000 Campaign. I was not talking about other issues that were a little sexier, politically; I was talking about the issues that I felt in my heart were of paramount importance to this country.

I am so glad that since that time my good friend (the now Minister of Education) has also come around to that same opinion. It is quite a journey for him. I say to him, *'Welcome aboard. Welcome to the club, Honourable Minister. Skills today, jobs tomorrow.'*

It would also have been good if some of what he discussed in his contribution to this Motion was tied, even in snapshot form, to give us a glimpse of how he envisages tying this to labour policies. Again, I will try to assist in that regard.

You see, Madam Speaker, one of the most frustrating things for a human being is to achieve and obtain skills and not be able to use them to their fullest potential. Education has very little meaning to achieving potential if one does not have the ability to use it and if one does not have the opportunity to use it. How many countries suffer from the "brain drain"? Just think about the names of some of the doctors you encounter when you travel to the United States and you look at their last name and you meet them and talk to them and find out where they are from.

Before getting into some of the substance of the points I would like to bring to bear in my contribution to this Motion, I would like to inquire (and perhaps the Minister can tell us when he is winding up) . . . having listened to the Amendment that the Government defeated and having listened to his contribution, I wondered why it was that when we look at Standing Orders 18 and 19 that the Minister did not consider going that route. For the record and for the general public (and I daresay, then, for all our sakes), Standing Order 18 deals with the presentation of papers and Standing Order 19 deals with the debate on papers.

With your permission, Madam Speaker, Standing Order 19(1) states: **"At any time after the presentation of a paper under Standing Order 18 (Presentation of papers), the Member of Government who presented the paper may give notice of a motion that the House resolve itself into a Committee of the whole House to consider the paper. Debate upon the motion shall be confined to the general principles there set forth."**

**"(2) If a motion under paragraph (1) is agreed upon, the House shall resolve itself into Committee. Debate in Committee may extend to all details of the paper which shall be discussed paragraph by paragraph unless otherwise decided by the Presiding Officer who shall have regard to the convenience of the House. No question shall be put, nor any amendment proposed to, any part of the paper and at the conclusion of debate no question shall be put save that the Member who moved the Motion under paragraph (1) shall report to the House that the Committee has considered the paper."**

Subsection (3) is very interesting, Madam Speaker: **"(3) When such a paper contains proposals, the Member of the Government who presented**

**the paper may, following consideration in Committee, subsequently move that the House approve the proposals set out in the paper, without amendment or with such amendment as he may incorporate in the motion arising out of consideration . . . .”**

So, Madam Speaker, I hope that since we are going about this in the open-debate format, where each of us is going to just get up and make our contribution that the points raised by all Members of this honourable House are indeed going to be incorporated in what is going to be the final Report.

Firstly, as I look at this Report, one thing that is glaringly missing in the section “Strategies to Bring about Changes” is a risk analysis. I say that, Madam Speaker, to say that when you are developing strategies to address an issue, there are always present risk factors that your strategies will not work. How you go about managing those risk factors, in many instances, determines whether you are going to be successful or not.

For example, in the Report in the section “Strategies to Bring about Changes” [p. 20] number 3 states: **“The development of an Early Years unit to set standards, evaluate performance and support improvements in day-care centres, pre-schools and Reception programs[.] The unit will be charged with developing:**

- **National standards to cover provision and outcomes in early childhood education and care settings**
- **Indicators of good practice to support the standards**
- **Plans for an inspection programme and self-evaluation model for early childhood and care settings**
- **Handbook for early years staff and inspectors, with guidance on standards and on the curriculum**
- **Template for an annual report of early childhood education in the Cayman Islands.”**

This all sounds good. However, out of all that sounds so good there will inevitably be certain consequences. I see cost of provision of early childhood education as one consequence for potential failure. What is the Minister’s assessment of the impact this will have? Once these standards are set, how is it that the providers of early childhood education are going to have to restructure their programs to comply with those standards? Are we going to have a system where, if you are compliant, you can use that in your marketing material and on your sign, and if you are non-compliant you cannot? Is there not going to be any scope for non-compliance?

Certainly, for those who have to comply, it could very well mean they will need new personnel because the personnel they currently have may not have the skills to meet the mandates that are going to be set by the early years’ unit. If they do not have

those skills, one would have to assume that they are going to get people with greater skills. People with greater skills cost more. If it costs more, someone has to pay. Has the Government already budgeted and are they going to increase the grant for early childhood education? In other words, how is that risk going to be managed?

Quite frankly, I would like to have some understanding as to how the Minister and his team have addressed risk management within the confines of this report. Have they done it? I do not know, I have not heard. Perhaps they have. This is an important consideration for this country and for the Minister because, quite frankly, education needs to succeed.

So, Madam Speaker, when you look at these points and you then start to map out by point what those risks are, how is the Government going to manage those risks? Managing those risks will determine the success or failure of the proposed changes.

Madam Speaker, I could move on to Item No. 5—“The development of a unit with responsibility for careers education and guidance and for providing the services of a scholarship secretariat.” I see one of the key risk-fact areas in this whole area of scholarship provision being a mismatch between what this economy needs in the numbers they need it and what people are majoring in at university. I have spoken to young people in my family who have gone on to do their Associates, and some of them now doing their bachelors, as well as young people that I come into contact with in the community. Once you talk to them and find out what they are doing, the logical next question is: What is your major?

Perhaps my sample is unscientific, but I certainly have had many young people tell me they are majoring in marketing. Now something tells me that we have to make sure that we manage supply and demand of this all important human capital. What a travesty it would be to go through all of this but not manage the risk that one of these items can fail, to not identify the risks that could cause the Ministry to fail in one of these objectives. If you do identify the risks, sometimes by accident you might get it right, but more than likely, if you have not properly identified the risks you are not going to be able to take the remedial action necessary to ensure success.

One of the things that will obviously be critical is that we develop some sort of national manpower database in this country. I find it frightening, and I have said this in a debate before—if I remember correctly I have said it twice on two different debates and Throne Speeches. How can we manage the labour situation in Cayman where you continually hear Caymanians say, *‘Well, I am not going back to the Labour Department because I do not get results.’* Whether that is true or whether that is a perception I do not know, but quite frankly, any of us who have been MLAs, if you have not heard that complaint then I would be astounded. However, it is difficult to blame

the Department if it is not tooled and equipped properly.

One of the things that we would like to see is a holistic position of where we are. There is some tracking of people and trying to keep up with them after they have completed their education. I say that is not taking it far enough in this technological age. We have very useful tools in technology, one of which is databases. Someone would have to convince me that this cannot be done. Madam Speaker, think of the magnitude of the database that the Labour Department and the Internal Revenue Service of the United States of America have. If they can do it, I am sure that we are small enough that we can do it.

How that helps and assists is that at any point in time, whoever has the constitutional responsibility for the subject of labour is able to know, in a snapshot—albeit keeping up with people and keeping the database current is a challenge—there would be some basis upon which decisions can be made.

When we therefore take the next step and start talking about interacting with the private sector and understanding what the growth areas are in the economy, if we do not manage that risk well we will potentially fail under Point 5 of the strategies to bring about changes. We can give all the career guidance we want. We must match and steer young people into areas where employment opportunities abound.

I was shocked when in 2000 I visited the accounts class at the Cayman Islands High School and gave a small presentation on the profession. We came to the Question and Answer section. I asked how many people in the accounts class wanted to become a qualified accountant. The response was less than what I was hoping for. Of course I was hoping for 100 per cent, but if I recall correctly less than half of the hands went up.

My next logical question then was, *'Why did those of you who do not want to become accountants pick this subject?'* For some, there was logical reason. They needed to pick a subject in that core area and they wanted a business-type subject. Accounts was one they thought would be of interest, but they just were not interested in being an accountant. Fine. That's logical. I did, though, get a response from a number of young that was absolutely shocking. They were told that Cayman already has enough accountants and that they need to think about getting into other areas.

The last time I checked, this Island has around 600-plus accountants, of which substantially less than 50 per cent are Caymanians. We need to ensure that the risk of mismatch between college majors, university majors, major subject areas that a degree will be awarded in, is managed. We must also ensure that our young people are getting into areas that the economy needs.

Now, we all know that circumstances change. Well, circumstances are going to change such that in ten years time the people who occupy the seats in this

Legislative Assembly could very well be looking at this document saying, *'What were they thinking about?'* Circumstances change; however, at the end of the day, we have to manage the risks, risks that any of these particular items could fail.

In the area of technical and vocational training: I have said in this House before that we need to ensure that we stretch our minds beyond what are traditionally viewed as the technical and vocational areas; that is, plumbing, electrical, and so on. We have a huge growth area in the financial services industry which is the hedge fund industry, called the Mutual Funds Industry, mainly because of the Mutual Funds Law. This sector is the biggest growth area we have in the financial services area.

There are many jobs in that particular field (and I am using it as an example) that do not need to be done by a qualified accountant, and so the typical team at a mutual fund administrator would have an account manager who would typically be a qualified accountant. Under the account manager there may be some senior administrators, under the senior administrators there may be some junior positions of persons who carry certain tasks. Many of the administrators have also split themselves between the lines of the investment side (calculating the net asset value of hedge funds), or the capital side involved with the registrar and transfer agent (commonly called RTA work within that industry).

*Skills today, jobs tomorrow:* If that is the mindset, if that is going to be the philosophy of this country, we would understand clearly from the businesses in that industry what skills are needed. It is all good and fine to go to high school and get a principle of business O Level (I presume that is what they are still called). I think these days it is just whether you pass CXC, or whatever the examining board is, the equivalent of what we widely used to call O Levels.

Put yourself in the managing director's or the general manager's position of one of the large mutual fund businesses. While that pass does symbolise a certain level of competence and ability to learn, would they not rather have people with skills they could use on the job? We have to stretch our minds.

We must not only ensure that scholarships are geared towards where the economy is and where it is growing—and therefore where it is going—we also have to ensure that we clearly understand on the other side of things (that is the people who will not necessarily go on to get a university degree) what it is that an employer wants. What is it they want when that young person steps in the door? Is it so radical to think that in this day and age the Cayman Islands should not be looking to ensure that we are equipping our young people with very specific skills from the high school level, knowing full well that not everyone will go on to get a college degree?

I return to the point of technical and vocational training. Yes, there is the physical "blue collar" side of it, but there are jobs within the other sectors of the



economy that are the equivalent of what we think of as technical and vocation. We should be sitting down with industry ensuring that since we are going through the exercise of revamping the curriculum, that we are gearing the curriculum toward the needs in the economy. Think about it. Everybody wins. You do not have the excuse that you cannot hire a young person because they do not have the experience, they do not have the knowledge.

If we are sitting down with industry and we are able to come up with specific criteria they need, what is wrong with teaching it in the schools so that our young people can hit the ground running? I have said that before in this House. Perhaps the Minister may very well say, *'Well, it was not done.'* He would be quite right in saying that, in this specific example, but we are where we are and we have to move forward.

I believe that we need to be working on our national manpower database. I think we need to know where we are and where we are heading manpower wise in the Cayman Islands. We need to make sure that we build that database and have every single person that is employed that we can get information on in there. The other thing it does is allow Government to see the areas where work permit holders are because that too would surely form a part of the strategy as to where it is we need to steer and guide our young people.

I agree that the child must be at the centre, but the child cannot be left behind by the system. You can develop, and develop, and develop. But unless we recognise and accept the notion that you have to have job skills today to get a job tomorrow, we will continually have the situation—which is very frustrating to hear—where young people graduate from high school and it takes them, in a lot of instances, upwards of 12 months to get a job. All they hear is there are 17,000 work permits in the country, not that a substantial portion of them (I think it is somewhere around 6,000) are domestic helpers; a substantial portion of the number are also people in very skilled areas. So you need to carve those out before you start looking at the job you can fill.

The bottom line is that people are just going to look at that statistic and say, *'How is it that I have done what society has asked of me—be a good child, obey the rules, go to school, get my high school diploma and contribute to society—and I sit at home for those long periods of time?' It is demoralising. Skills today, jobs tomorrow.*

Going back to the section "Outcomes of the Education Conference 2005", we have listed a number of important areas within the education establishment and an analysis of what is felt in those particular areas. Some of the observations are very insightful; unfortunately, some are observations that have been around for donkey's years, as they would say.

**"1. Qualities that we want our students to have by the time they graduate from high school."**

When we are developing criteria, I have always been taught that those criteria should follow along the lines of an acronym called SMART. I do not think it is any coincidence that that acronym is being brought up when we are debating education. SMART means Specific, Measurable, Attainable. I'll stop at Attainable. Specific, Measurable Attainable, I believe just these three should be applied to every one of these bullet points.

Before any child sees this list of qualities that the world hopes to see in them by the time they graduate high school, we should make sure that every one of these are specific, measurable and attainable. I am of the view that there are few which fail that test.

In addition to the SMART acronym, I was taught in my former profession that there are certain words that you should try to stay away from when you perform an evaluation on a junior member of staff: "always", "all", "never". That was all around the human resource element of my job.

The very last point says to **"Have an awareness of global issues affecting all aspects of life in the 21<sup>st</sup> century."**

The fourth bullet point is to **"Be creative and appreciative of arts in all its forms."** We have to be very, very careful what we tell young people we expect them to be because, in some instances, they may fail before they start. Unfortunately, I will never be an appreciator of art in all its forms. Every one of us has likes and dislikes. Every one of us, as we grew and learned, we developed tastes and certain likes and dislikes. Our young people are graduating at the age of 17. When you are that age you are an idealist for the most part. Let us go back to my example.

If I am a 17 year old, I am going to say, *'Why is it that I cannot get a job in my own country when there are 17,000 work permits?' Someone else with a few more years may come to me and say, 'Okay. Let us analyse the 17,000 and see which one of those jobs you can fill.'* With that number, of course you are going to find some that a young person could perform. Ultimately, as we all know when you start going down the line eliminating certain types of jobs that they would not want to do, the pool shrinks.

As I said, I think there are some 6,000 domestics. So, right away you go from that idealistic position that you are 1 and there are 17,000, and you have to knock 6,000 off. I am yet to find one Caymanian parent whose desire for her child is to become a domestic helper. Therefore, the desire of the child would be to be a domestic helper.

I offer that to say that while in general terms the principles outlined here are principles I think we all agree with, I do believe that some of the specific language does need to be looked at. We do need to apply criteria to them and ensure that we are not creating a scenario in which young people fail before they start simply because we may have an objective that is not attainable; or a young person or society finds it

very difficult to measure how successful you are at achieving these goals. I do hope these are not listed here just for the words, I hope these are listed because this now will be the measuring stick, the yard stick that the Cayman Islands will use to measure herself in being successful.

If we are not producing young people who meet these criteria, that means that we are failing and so it goes both ways. If we start out with they cannot achieve it, both sides lose, the society fails and believes it is failing. But why is it failing? It is failing because an objective is not achievable in the first instant.

Madam Speaker, if you move on to the Outcomes of the Conference, there are some items listed that are of interest. For example, on page 12 there is a bullet-point list which is, of course, in the section that deals with the content of the school curriculum. It reads: **“Although the curriculum was often referred to as overloaded, several groups cited areas that they would like included or given more weight, in addition to those referred to above such as . . .”**

Some of them are areas that I think most of us have heard before and I will not focus on them. The third bullet point is **“Anti-bullying and moral education.”** Three points below that addresses **“More sports”**. I presume the last point responding to disasters is an outshoot because of Hurricane Ivan. It would be of interest to find out how this anti-bullying ties in with the whole issue of discipline and what the discipline regime will be and what changes will be enacted to try to address the very disturbing issue of lack of discipline within the schools.

What would also be of interest is what the exact statistics of that area are. I am of the view that the vast majority of school children are good kids, attend school, obey the rules, and are, as we would generally loosely call them, good children. That point caught my attention.

“More sports” also definitely caught my attention. Again, the perception I would have is that Cayman has available to students a lot of sports and sporting activities. Perhaps there is more need for opportunity, more need for access. I am not sure what the driving force behind that is, but that would be of interest. Of course, it is quite convenient that the Minister of Education is also the Minister of Sports. Hopefully he will have the same row when he comes to the sports policy. Hopefully he will do it the right way.

**The Speaker:** Honourable Member, we are two minutes away from the hour of interruption if you are moving on to a new point.

**Mr. Rolston M. Anglin:** This would be a good time to break, Madam Speaker.

**The Speaker:** I will call on the Honourable Minister of Health to move the adjournment of this Honourable House.

**Hon. Anthony S. Eden:** Madam Speaker, I move the adjournment of this Honourable House until 10 am tomorrow, Thursday the 13<sup>th</sup>.

Madam Speaker, I also mention that we plan to work late tomorrow evening until we finish this.

**The Speaker:** The question is that this Honourable House do now adjourn until 10 am, Thursday 13<sup>th</sup> October.

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

**Ayes.**

**The Speaker:** The ayes have it.

**At 4:28 pm the House stood adjourned until 10 am, Thursday, 13 October 2005.**

## ADJOURNMENT

**OFFICIAL HANSARD REPORT**  
**THURSDAY**  
**13 OCTOBER 2005**  
**10.08 AM**  
*Third Sitting*

**The Speaker:** I call upon the Honourable Minister of Tourism, Environment, Investment and Commerce to say prayer.

**PRAYERS**

**Hon. Charles E. Clifford:** Let us pray.

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

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

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

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

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

**Proceedings resumed at 10.10 am**

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

**Apologies**

**The Speaker:** I should have extended apologies yesterday for the Third Elected Member for Bodden Town who is overseas on official business.

I have apologies for the late arrival of the First Elected Member for Cayman Brac and Little Cayman for today's proceedings.

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

**Question No. 33**

**No. 33: Hon. W. McKeeva Bush** asked the First Official Member responsible for the Portfolio of Internal and External Affairs how long the policy will exist for Ministers and other Government Officials to have security guards.

**The Speaker:** The Honourable First Official Member.

**Hon. George A. McCarthy:** The policy to provide security guards to Ministers and other Government Officials will exist as long as there is a threat to their lives based upon a threat assessment from the Royal Cayman Islands Police (RCIP).

**Supplementaries**

**The Speaker:** Supplementaries?

The Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Can the Member say what the cost is to date?

**The Speaker:** The Honourable Leader of the Opposition, if the Honourable First Official Member is in a position to answer that I will allow it. However, to me that is outside the substantive question.

The Honourable First Official Member.

**Hon. George A. McCarthy:** I do not have the information at hand.

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

**Hon. W. McKeeva Bush:** The supplementary I would ask then is whether I could get it in writing and how far does it extend. I said Government Officials. Is it all Members of EXCO (Executive Council) and the Judiciary? And does it stop there?

**The Speaker:** The Honourable First Official Member.

**Hon. George A. McCarthy:** I cannot elaborate on the specifics, but, yes, it would include persons who are under threat whether they are Ministers or Members of Cabinet, the Judiciary and also the Legal Department.

**The Speaker:** Are there any further supplementaries?

If there are no further supplementaries we will move on to Question No. 34, standing in the name of the Honourable Leader of the Opposition, and it is addressed to the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs.

#### Question No. 34

**No. 34: Hon. W. McKeeva Bush** asked the Honourable First Official Member if there is a new protocol regarding the use of the VIP Airport Lounge by Ministers and Members of the House when travelling and, if so, what is it.

**The Speaker:** The Honourable First Official Member.

**Hon. George A. McCarthy:** The answer is no, there is no new protocol regarding the use of the VIP Lounge.

#### Supplementaries

**The Speaker:** Supplementaries?

The Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Then what stands as the protocol?

**The Speaker:** The Honourable First Official Member.

**Hon. George A. McCarthy:** For some time now there have been guidelines in place, and these guidelines have been set out and available from the office of the Deputy Chief Secretary. I will read part of the guidelines.

"These guidelines are designed to establish clear practices for booking and use of the Airport VIP Lounge. They will be followed strictly and varied but only by authority. As is internationally accepted, airport VIP lounges are provided to exempt from routine travel processing persons such as Heads of States, senior diplomats and also very important persons, especially when they are travelling on official business and to provide reasonable privacy and, if necessary, security for them. The following persons are deemed to be VIPs:

1. The Governor of the Cayman Islands and anyone designated by him.
2. The Speaker of the Legislative Assembly when travelling on official journeys.
3. The president and justices of the Court of Appeal when travelling on official journeys.

4. The Ministers and Members of Cabinet when travelling on official journeys.

5. The Chief Justice and the judges of the Grand Court when travelling on official journeys.

6. The Members of the Legislative Assembly when travelling on official journeys."

The wives/spouses of members of the family of those listed that I have just called are not entitled to use the VIP Lounge unless they are travelling with the entitled persons.

VIPs or persons arranging their travel plans should contact the office of the Deputy Chief Secretary, Government Administration Building, Telephone: 949-7900, Ext. 222, and it gives a fax number as 949-7544, in order to arrange the booking of the Lounge.

The security officer designated to assist VIPs will render necessary assistance and afford the appropriate courtesies.

VIPs will be invited to sign the guestbook.

"Subject to written approval by the Deputy Chief Secretary's prescribed form attached [this is what is set out in the guidelines] persons other than VIPs may be allowed to use the Lounge as a reception room for a fee of C\$100 payable to the Cayman Islands' Government. The fee is refundable if the application is denied. All such persons are required to clear themselves through Immigration and Customs. A separate guestbook will be provided for these special occasions. Advance notice is necessary, that is, 72 hours is the minimum requirement and the verbal requests will not be entertained."

These guidelines were issued on the 7<sup>th</sup> August, 2002.

**The Speaker:** Supplementaries?

The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, would the Honourable Member say what the logic is behind the policy, having it seemingly confined to when these persons who are so designated are only travelling on official business? For example, if you, Madam Speaker, were to be just travelling, are you not a VIP at that point?

**The Speaker:** The Honourable First Official Member.

**Hon. George A. McCarthy:** I am not in a position to comment on the logic. As I mentioned, these guidelines were issued in 2002. It is quite likely that it is now time for them to be revisited, and this has been advocated by persons such as me. I am fully aware of the fact that these are not necessarily the guidelines, but the appointment of an official protocol officer and all such arrangements are now being considered by the Cabinet's Secretary's Office. In terms of where that has reached I cannot be specific on that. This, I agree, needs to be looked into, but if I were to try to

give information as to the logic today I would be misleading this honourable House.

**The Speaker:** Further supplementaries?

The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Just to follow on, then, from the last response from the Honourable First Official Member. Since he too is desirous of having these revisited, could he give the House a formal undertaking that this will be revisited and that the House and all Members thereof, and all persons who are deemed to be designated persons, will be advised as to the results and any changes made to this policy?

**The Speaker:** The Honourable First Official Member.

**Hon. George A. McCarthy:** I can give an undertaking that I will bring to the attention of the Cabinet's Secretary the concerns that have been expressed by the Honourable Member and other Members of this Legislative Assembly. When these guidelines were promulgated there was not a Cabinet Secretary's Office in place at that time. This will be a need fit as such to address this concern on behalf of Honourable Members of the Legislative Assembly.

**The Speaker:** Supplementaries. The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, I would like to ask for a further undertaking that the Honourable First Official Member would convey to whoever is reviewing these protocols that they also consider two factors: that is, the first that I just mentioned (when persons are travelling period versus travelling on official business); and looking at our spouses and when they are not travelling with us.

Again, to emphasise on my last commitment, we do want to have these policies circulated to all relevant persons.

**The Speaker:** The Honourable First Official Member.

**Hon. George A. McCarthy:** I am certainly glad that this question has been raised because I think that it is high time that this issue be addressed because, like other Honourable Members of this House, I have found myself travelling—even on official business—and not only am I searched at the airport, I find myself with my hand stretched out. It is quite improper, I believe, because, at the end of the day, if I am going to represent the Cayman Islands at forums abroad the question is: Why can I not be trusted?

I also take issue with the fact that there is a screening process before getting to Immigration, so I cannot understand why this second level of search takes place.

These are matters that need to be addressed because I do believe the time has now arrived where official Members or persons that are travelling on behalf of government business should be accorded due courtesies.

**The Speaker:** I will allow one more supplementary. The Honourable Leader of the Opposition.

**Hon. W. McKeever Bush:** Allow me to set the record straight just in case anyone feels that I have asked this question for myself. The reason I asked is because the question was posed to me by members of the public recently. I really did not know because I have never, in all my time, used the Lounge. The only time we were told we could use it is when the Governor is leaving, when he is coming, or when he invites you there, or you get some member of the Royal Family or someone else coming and the Governor or his office says you can go. I have never had those courtesies.

I do not mind being searched, because it usually gives me more of a comfort level. However, I agree that it is time that it is reviewed. I have never seen those guidelines.

I thank you for allowing me to offer the explanation.

**The Speaker:** That concludes Question Time.

## STATEMENTS BY HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

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

### Suspension of Standing Order 46 (1) and (2)

**The Speaker:** I call on the Honourable Leader of Government Business to move the suspension of the Standing Order.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I beg to move the suspension of Standing Order 46 (1) and (2) in order to hear the First Readings of nine Government Bills.

**The Speaker:** The question is that Standing Order 46 (1) and (2) be suspended. All those in favour please say Aye. Those against No.

**Ayes.**

**The Speaker:** The Ayes have it. Standing Order 46 (1) and (2) are duly suspended.

**Agreed: Standing Order 46 (1) and (2) suspended to allow the First Readings of Bills to be taken.**

## GOVERNMENT BUSINESS

### BILLS

#### FIRST READINGS

##### The Firearms (Amendment) Bill, 2005

**The Clerk:** The Firearms (Amendment) Bill, 2005.

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

##### The Bail (Amendment) Bill, 2005

**The Clerk:** The Bail (Amendment) Bill, 2005.

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

##### The Court of Appeal (Amendment) Bill, 2005

**The Clerk:** The Court of Appeal (Amendment) Bill, 2005.

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

##### The Criminal Procedure Code (Amendment) Bill, 2005

**The Clerk:** The Criminal Procedure Code (Amendment) Bill, 2005.

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

##### The Evidence (Amendment) Bill, 2005

**The Clerk:** The Evidence (Amendment) Bill, 2005.

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

##### The Information and Communications Technology Authority (Amendment) Bill, 2005

**The Clerk:** The Information and Communications Technology Authority (Amendment) Bill, 2005.

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

##### The Penal Code (Amendment) Bill, 2005

**The Clerk:** The Penal Code (Amendment) Bill, 2005.

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

##### The Police (Amendment) Bill, 2005

**The Clerk:** The Police (Amendment) Bill, 2005.

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

##### The Prisons (Amendment) Bill, 2005

**The Clerk:** The Prisons (Amendment) Bill, 2005.

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

##### Suspension of Standing Order 14(2)

**The Speaker:** I call on the Honourable Minister for Education for the suspension of Standing Order 14(2) to allow Government Business to take precedence over Other Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I beg to move the suspension of Standing Order 14(2) so that Government Business can be taken on Thursday.

**The Speaker:** The question is that Standing Order 14(2) be suspended to allow Government Business to take precedence over Other Business. Those in favour please say Aye. Those against No.

**Ayes.**

**The Speaker:** The Ayes have it. Standing Order 14(2) has been duly suspended.

**Agreed: Standing Order 14(2) suspended to allow Government Business to take precedence over Other Business.**

## MOTIONS

### Government Motion No. 6/05

**“A National Consensus on the Future of Education in the Cayman Islands” (Report of the National Education Conference held on the 2<sup>nd</sup> and 5<sup>th</sup> September, 2005)**

*(Continuation of debate thereon)*

**The Speaker:** Continuation of the debate on Government Motion No. 6/05, the Second Elected Member for the district of West Bay continuing his debate.

The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker. Before taking the adjournment yesterday I had reached a point in my contribution where I was about

to touch briefly on the need for greater clarity as advocated in this Report when it comes to graduation standards. I think it is fair for most of us in this House to say we have had upset parents call us to give their side of a story where they were told, in some instances at the eleventh hour, that their child, who was about to complete high school, would not be allowed to take part in the graduation ceremony.

As I said, this is a matter that needs to be re-ramped and looked at again. Upon inquiry I found out that, for example, effort was one of the criteria whereby a child had to maintain a minimum grade to be able to take part. I mention that one in particular because effort is not something that is as easily measured and ascertained as is a person's score on an exam for example. I can remember from my days in high school getting one grade for achievement, for example getting an A for achievement, but getting a C for effort. I can remember my parents not quite understanding how that worked. You cannot get a higher grade than an A yet the effort was being deemed to be third rate.

Now, I think I probably knew the answer to the question, but I played along as any good student or teenager would. However, I still have to say that effort is something that is very subjective; it is the teacher's interpretation as to what they believe your maximum potential to be versus what is actually coming forth in your final grades.

I can remember two cases in particular that that was the one area the child had failed on and was not being allowed to graduate—at least that was what was reported to me by the parents—and so that seemed to be a bit harsh. So I am glad that that is an area that is going to be looked at and we certainly encourage that those criteria obviously be given wide circulation to ensure that parents are well aware. Another complaint I got from most of parents is that they were not aware of all the criteria themselves as to what was required of their child to be able to qualify to graduate.

As we know in all societies on this side of the world, graduation from high school is a very important milestone in a young person's life. The parents, of course, take great pride themselves in their child's achievement of that milestone. So it is something that is very serious when it comes to students and their families.

We move on to the issue that has been very topical for a number of years—of course it became even more so after the passage of Hurricane Ivan—of the physical school buildings, or as people like to say these days “school plant.” I am glad to see that the Minister has committed to the development of the high schools in Grand Cayman. I remember when we did the groundbreaking ceremony at the West Bay High School (which is being proposed to be called the Beulah Smith High School) that the response of the Minister at the time (when the Minister was a member of the Opposition) was that it seemed to be a *pie in the*

*sky*. I am glad to see that that is going to come to fruition. It seems as though the Minister now agrees that that is good pie! So the high school is a key part, I believe, of the development on Grand Cayman.

All of us recognise the great need that we have in the Islands in regard to school development, and the bill is going to be a hefty one. I suppose we will be talking about that a lot more next week when it comes to the debate on the Budget.

Madam Speaker, I note with interest that the Report spoke about the management, the senior managers in education, being more understanding of teachers and the teachers' needs. That only makes good sense because, ultimately, the teachers are the key spoke in the wheel that makes up the education system.

I read with great interest at page [14] “**Over three-quarters of the groups made recommendations about the way that school staff is treated. For example, they said that there should be greater understanding and flexibility when staff suffer bereavement or become ill.**” I would have to believe that of all the input that was given during this Conference care was taken about what words wound up in this Report. Obviously, they needed to make their report as brief as possible—to have done a verbatim report would just not have been feasible. It would be of interest if the Minister could advise this House as to why that particular one was actually included. I take it to mean that that is a significant problem that exists with staff at the school, which I find to be quite surprising, because when people are ill or suffer bereavement, if there is ever a time that they need understanding and support it is then. How demotivated you must get if this is a particular problem. This one, I think, would catch most people's eyes as they were to read through this Report.

Moving back to the strategies to bring about the changes in education, we see that the second point on page [20] is, “**The establishment of a taskforce to oversee and guide the review and the revision of the Cayman Islands' National Curriculum.**” Given all the change being advocated in the Report and by way of statements in the public that the Minister has made, I wondered how it is that he is going to seek about creating that taskforce and who that taskforce is going to be accountable to ultimately. I would presume it is going to be accountable to either the Education Department or the Minister, but it is not clear from just reading the Report.

The fourth item [page 21], “Establishing a Resources Human (HR) unit . . .”, would seem to be timely from the standpoint that we are going to be debating in this sitting, a New Public Management Bill (I believe it is called) to deal with Human Resources within the government service I would think, therefore, that what is being proposed here is going to be right along those lines and in conformity with the principles that are in that new Law, paying particular cognizance, of course, to the needs as they relate to edu-

cation and ensuring that those needs are fulfilled because each area of government, of course, is quite unique in what needs to happen.

I wonder if the Minister could also advise the House on this point, as to where he is in terms of the specific strategies to address—again, I get back to the risks—the risk that you fail, that you do not get the best teachers that you can possibly get. As we know, there is a great shortage of teachers and many countries are competing in some very aggressive ways to get teachers. We know that some time ago certain states in the United States of America were giving teachers from the Caribbean the opportunity to get a Green Card (permanent residency, what is commonly called a Green Card to live in the States), which is once you are a good person and a good citizen and you stay and you live and you make your contribution, allows you to progress through to citizenship. So you have that move by a large, attractive country (like the United States) which has a negative impact on teacher recruiting, not only for Cayman, but for all the Islands. I believe that would also have a negative impact on teacher retention. You have salaries (that comes into play), but what is going to happen?

I ask some of the questions, Madam Speaker, because, while the Motion wants this document to be adopted as a blueprint, I would rather think that this document is going to contain general guiding principles for reform. In my mind, a blueprint has all the details. When you pick up a blueprint, you are able to see everything clearly.

I hope the Minister understands where I am coming from with that point because when I look at this I certainly do not get the feeling that, as a Member of this House, I can hold my hand up and say I am representing the people of West Bay adequately by agreeing that this is a blueprint. This has a lot of good stuff, a lot of general guiding principles about where reform is going to be and what direction it is going to take. However, the specifics, of course, are not here. Once this exercise is done, the Minister is going to have to work with his team and develop the specifics and get the job done.

I did not see in here reference to teaching strategies along the lines of gender. Madam Speaker, I think all of us are well aware of the statistics in Cayman when it relates to the performance of girl students versus boy students. I think it is a fair comment to say that I do not think we are necessarily going to solve that problem because I think a lot of it does have to do with just the differences between a girl and a boy and their rates of development. However, I believe that it is an issue that is important enough that it has to form one of the cornerstones of what it is the Minister is going to do in regard to his education policy, because boys are far behind the performance (academically) of girls in this country.

When you go to the graduations, especially high school, it is usually a rarity to have the boys be Honour Students. The ratio is always skewed heavily

toward girls. That is an area I said we really need to do a lot of work on. Then it dovetails nicely into the whole issue that is being proposed here with regard to education of prisoners because when we go to Northward Prison and we see the number of young men who are up there, I do believe in a lot of instances the two issues could have an impact upon each other.

Security in schools. Behaviour. I would like to see somewhere in the blueprint that there will be zero tolerance when it comes to inappropriate physical interaction with teachers. I believe, Madam Speaker, that there cannot be any place in our school system where teachers are confronted physically—and in some instances assaulted—by teacher or parents irrespective of how good a case some people perceive they may have to behave in this way. In my mind it totally erodes and eats away at the integrity of the education system. I agree with the Minister that the hub, the centre, is the students. However, when I think of that wheel, teachers make up a lot of very important spokes in that wheel. We cannot have a system that does not clearly see. It is totally and utterly unacceptable for teachers to have fear for their personal safety.

I believe we also need to have zero tolerance for violence in the schools in regard to students against each other. I know that we have had a dilemma over the years in regard to . . . well, if you expel a child from the mainstream system what happens to them? I know the challenges that we have had; I have heard the complaints from parents in regard to the Alternative Education Centre. I know a lot of that had to do with funding and focus. However, having said all of that, the issue still has to be addressed because we cannot have a situation where segments of students in the school population fear for their personal safety. That is unhealthy and has to have a negative impact on learning. It has to, Madam Speaker, so I would like that to also be incorporated in terms of the blueprint.

Madam Speaker, I hope the comments I have made will be accepted in the spirit they were made in. I believe that the persons who put in a lot of work getting this Minister to this point should be congratulated because, at the end of the day, it is only hard work that is going to get the education service near to the point we all desire. You will never have a perfect system. There will always be critics and people that are left unsatisfied in certain areas. However, I do believe that we have to continue to give as much support to the education establishment as possible to help move it in the right direction.

It is the most important area of our country, it is the area that our young people move and live in for a great portion of the first 17 years of their lives. Ultimately, the legacy that we leave behind that is most important is not dollars and cents, not wealth, not land, not businesses. The legacy that is most important is the quality of the young people, because that ultimately determines our future as the Cayman Islands.



I thank you, Madam Speaker.

## READINGS BY THE HONOURABLE SPEAKER OF MESSAGES AND ANNOUNCEMENTS

### Apologies

**The Speaker:** Before I call on the next speaker, I would just like for the records to indicate that the First Elected Member from Cayman Brac has sent apologies for absence today as she is unable to get a flight out of the Brac.

Does any other Member wish to speak? Does any other Member wish to speak? Does any other Member wish to speak?

If not, does the Honourable Minister of Education wish to exercise his right of reply? The Honourable Minister of Education.

**Hon. Alden M. McLaughlin Jr.:** Thank you, Madam Speaker. This moment has come upon me earlier than I expected. Nevertheless, I am ready to respond, if I might have the lectern, Madam Speaker.

I want to comment on a positive note and say that I have listened very carefully to what the Second Elected Member for West Bay had to say. I commend him for his instructive commentary on the Report.

I understand where he sits. Indeed, I sat in that very same seat and I know that the difficulties he has with what is transpiring has much less to do with what is contained in the Report than the procedure which has been adopted of asking this House to endorse and adopt the Report. So when he complains (if I may use that verb) that democracy is being undermined because the Opposition is being asked to vote yea or nay in relation to the Motion and, thus, the Report, I take it in the spirit in which it is given. I know that that has more to do with politics than the substance of the Report.

Leaving those political niceties aside (for I understand them well) his comments, as I have said, are very useful. He says that the Report is not a blueprint, though, because it does not have the degree of detail that he would feel comfortable with in order to give it his wholehearted endorsement. I take that as a somewhat tongue-in-cheek remark. I know the Member very well and I know he understands full well that the Report is not an implementation plan: It is a report of the findings of the Conference coupled with policy implications and the broad strategies which are being proposed by the Ministry in response to those findings.

Coming out of the strategies and following the adoption of the report, detailed implementation plans will have to be developed so that those strategies can be implemented and adopted by the Ministry and, thus, the reform process can then become fully underway.

I made fairly careful notes of what the Second Elected Member for West Bay said. I have also made arrangements to obtain copies of the *Hansard* Transcripts of what both he and the Leader of the Opposition have had to say. We will take our time and analyse those properly and distil from them any useful statements which can be incorporated into the final report.

On the other hand, the Leader of the Opposition spent most of his time I believe, in (shall I say) talking out of both sides of his mouth. On the one hand he said, 'Yes, we accept that there must be change,' but a great deal of his contribution was devoted to robust defence of the system that we have now and a recitation of the supposed achievements of his government over the past three and a half years in education.

The difference in approach between the Leader of the Opposition and the Second Elected Member for West Bay is stark, and I believe that it represents the change that is coming about and the change that is necessary. The Leader of the Opposition, in my view, clearly belongs to the old school which is, despite superficial comments about recognising the need for change, still entirely married to the system that we now have in place and spends the majority of its time defending why the system ought not to change. Despite that, Madam Speaker, most of the things he said were a contradiction in terms.

He described, for example, the Report as being little more than a "rehash." He says it has no new ideas; it was "old wine in new bottles," some "pretty ideas dressed up in fancy words", a "feel-good document." Those were some of his rather vivid descriptions of the document that is before us. Yet, almost in the same breath, he complains about the fact that the Report has not been circulated widely enough, that it needs to go back to the Conference delegates, it needs to go to the wider public so that comment can be had on it, we have to be careful how we make changes in the education system, it is people's children's lives that are at stake — all sorts of alarm bells that he sought to ring about the need to proceed with caution.

Now if all of this is "old wine," if all of this is "rehash," there are "no new ideas" in this Report, then I am not sure why it is that we all ought to get concerned or alarmed about what is being proposed. He says, 'All of these things have been around for a long time, many of them were in the pipeline when I got there, they had been proposed by the Department of Education and other people for a long time.' Much of that is, indeed, true.

Certainly, as the New Minister, very few things that came out of the Conference struck me as being novel or struck me as being matters that have not been considered and spoken about over the courses of many, many years. The distinction is that this Government and this Minister is prepared to do something besides talk about these issues. We are prepared to

effect the necessary changes to give us the educational reform that the country has said, that the stakeholders in education have said, that the children have said, that we all, ourselves recognise is critical and necessary. That is the distinction between this Government and the government with the Honourable Leader of the Opposition led for three and a half years.

The Leader of the Opposition unfortunately spends a lot of time thundering, but at the end delivers very little rain. That really, I suppose, describes the Government which he led—they talked and made a lot of noise, headlines, screamed with some new and novel idea almost every day of the week. However, at the end of the process, even the greatest supporters of that government were left to say, *'But what have they really achieved?'*

The Leader of the Opposition went into all sorts of criticisms about my approach to the reform process. He sought to inveigle me into launching condemnatory statements about the Department of Education and the leadership of the Department of Education and all of those things. I am not prepared to go down that road today in a debate on this Report. I have said what I have had to say in relation to some of the problems that I have seen and felt and experienced first-hand dealing with the leadership of the Department of Education. I have said those things. I make no apologies for them.

That is not what this Report is about. This Report is about the reform, the necessary and critically important reform of our education service. There has been resistance and there is going to be more resistance. It seems the Leader of the Opposition is carrying the flag on that one. If I were more cynical than I really am, I would feel that many of the things he said—which he read from a typewritten document—was prepared by some of those who are either still in the system or have recently departed who have a vested interest in ensuring things stay the same because it is comfortable and because to accept the change and the need for the change is seen by them as an indictment of what they have or have not done over the course of all of these years.

I would be unfair and unkind and, indeed, untruthful if I said that the education system has not done some good things. I went through the system as did most of us here. Indeed, I would also be equally untruthful or unfair if I did not acknowledge that some good programs have been put in place over the course of recent years—*ITALIC* (Improving Teaching And Learning in the Cayman Islands) probably being the most exceptional of them. However, what we have to accept is that it is not that we do not have good programs or good teachers — it is not even that we do not have some very good people in the Department of Education itself. The problem that we have is what I call “systems failure”. The systems are not properly linked together, there is not proper management involved in many of the things happening.

If you look at the way we finance education there are problems; if you look at the way we award bus contracts, there are problems; if you look at the way we award janitorial contracts, there are problems; if you look at the way we award canteen contracts, there are problems. I say to the Leader of the Opposition: do not believe what I say, do not believe what all those delegates at the Conference said, do not believe those people who called in to the various media making representations to them, whose comments are reflected in the Report. Do not believe any of those things. Go yourself—as I did—to every school. In fact, you do not even have to go to every school. Pick any school you want to go to and talk with the teachers there, talk with the parents of the children there, talk with some of the older children themselves and ask them if they think the system we have now is the system we ought to continue. Do not come down here waving the flag leading the charge for the reactionaries in the system who believe that the system should never change because they are in charge of it. That is what the Leader of the Opposition should do, rather than read some prepared speech prepared by those who do not want the change to happen.

He had so much difficulty, Madam Speaker, that sometimes I saw him step back from the document as though something he saw there scared him because those were not his words. I know very well, Madam Speaker—

**The Speaker:** Honourable Minister, in your opinion.

**Hon. Alden M. McLaughlin, Jr.:** In my view, Madam Speaker. In my view, I know very well because I have seen the files in the Ministry of Education. There is one in particular in relation to the award of bus contracts that has his fingerprints all over it—has his signature—complaining about the unfairness of the way that process was carried out. I want those within the sound of my voice who listened to what he said yesterday give such weight to his staunch defence of the system as they think fit, bearing in mind what I have just said and bearing in mind what they know of the Leader of the Opposition.

Madam Speaker, if we look at the way we manage education finances, any school you go to the leadership there tell you they have problems being able to purchase the most basic of supplies. It takes months. In one case in Cayman Brac it has taken three years since they put in the order before they got the supplies for their science laboratory. That is the kind of system we are operating!

I have heard—and everywhere I go I hear it—that the Ministry has now cut the budget for the Department of Education from \$52 million last year for recurrent expenditure to \$48 million this year. That is a fact. However, what has not been explained in all of that, when we talk of systems failure, is that over the course of the last five years the Department of Education has not used approximately \$5 million of the

funds that they budgeted year on, year on, year on, year on because the system does not enable them to know what it is they need to spend, where they are spending it and what it is they are spending it on. That is why I have commissioned a financial review. We have got to know how we are spending the money, what we are spending it on, and we cannot have schools in limbo for months, sometimes for years, waiting on basic supplies. We have got to change the way the system is administered. And if the Minister seems frustrated and angry at times, it is because he is!

Madam Speaker, I see the Leader of Opposition has now asked a parliamentary question (which will be answered tomorrow) about whom is incompetent in the Department of Education and what is the Minister going to do about that. I can tell him right now, I am not going into name calling in this honourable House about situations like that. I am not going to do it! But I will say this: this Minister is not going to be told untruths; this Minister is not going to be made to go and face the media and the press week after week saying what I am told by the Department of Education staff only to find when I get there that what I have been told is not true. I am the one who speaks to the press; I am the one who takes full responsibility for whether the system works well or not.

No matter how hard people labour and no matter how hard they try and no matter how competent they are, sometimes things do not happen the way we would like them to happen. I can deal with that. I take responsibility for that. I am a team player and I am the captain of this team. Anyone who knows me, all of my colleagues will tell you I am a team player. However, we cannot have a team if only the captain is playing.

The Leader of the Opposition has spoken about passive resistance—some of it not so passive. I am straight up: Those in the system who honestly want to work with the changes and propose changes . . . I am no educator. That is not my forte. But I was born with a healthy dose of common sense. I spent 21 years in the financial industry, including being the partner of a law firm. I know something about management. I know something about handling people and handling change. I know how critically important leadership is and systems are to be able to do anything properly.

All I am saying is that I have no particular beef with any one individual. It really does not matter to me who the Chief Education Officer is, or [who holds] any of the other positions. All I want, all I ask for is cooperation, truthfulness, forthrightness, competence and acceptance that what we have needs to be made better. That is all.

I will say this, because I feel very strongly about this and I am not the only one. However, I am talking about myself now, Alden McLaughlin. I am giving to this country the best and most productive years of my life. For me, I did not apply for this position for

the money. For me this is not a job, an occupation or a place to work while I wait for retirement. For me, this is a calling. If I cannot make this system better through my leadership then I ought not to be here. I am no better than my predecessors whom I persuaded this country not to vote for but instead to vote for me and my team. I am not prepared to waste the best and most productive years of my life. I am not prepared to say to those who voted for me that the constitutional constraints prevented me from making a difference and that the Governor did not cooperate, or the Chief Secretary would not do what I needed him to do, or the Department of Education defeated me. I am not prepared to lay the blame on anybody but myself and the Government which supports me, for I can do nothing without their support.

Those who believe as the Leader of the Opposition has said, that I am Hurricane Alden and I have come to mash up the whole place, have it very, very wrong. However, of this they can be certain: I am not going to sit quietly by while administrative hurdles and protocol is prayed in aid of maintaining the status quo when I know from firsthand experience that the system is failing. There are many measures for that, but to me the most critical, most telling measure of that is that the average student coming through the Government's school system is less equipped for the workforce today than he was when I left high school 27 years ago. There is no doubt in my mind about it. The very good academic students do well in any system wherever you put them. I am talking about your average student. That is not only me saying that either.

Look at what Mr. Conor O'Dea said in his very important address at the Conference. I spoke about it when I opened the debate on this Motion, but I think I ought to remind us all about it again. He discussed the tremendous skill shortage in the labour pool, both technical and vocational. Then he noted: **“Presently, the educational achievement level of most schools leavers is inadequate for the needs of business and, without investment; the labour force skill base may be obsolete by 2010.”**

You talk to people in business about the skill sets of school leavers coming in at an entry level positions and they will tell you by and large that they do not have sufficient grasp of the basics of math, English grammar and spelling—the basic stuff. They tell you that. We have got to fix that and we have got to stop defending the system as it is. There is no future in the past. We have got to move this to a new level; if we do not, collectively we will have failed.

I will tell you, Madam Speaker, and the people of this country that if this Minister, and this Government of which I am a part, is unable to make significant improvements in the education service of these Islands over the course of this term, no one will have to run against Alden McLaughlin because he will depart the system. There is no point in my being here—absolutely none! I may as well go back to practicing

law or do something else because all I am doing is sitting in a seat if I cannot make a difference.

I must tell you that my fighting spirit is too strong, my competitive nature too powerful for me to roll over because the Leader of the Opposition wants the system to stay the way it is because the people he talked to think it is fine and they are comfortable with it and they do not like change. The only human beings who truly appreciate change are babies when they are wet! I know that. So to change brings disquiet—

**An Honourable Member: Casualties!**

**Hon. Alden M. McLaughlin, Jr.:** —resistance and, yes, casualties. However, as I said before, change we must, and change we shall!

I noted a quote I was looking at again here. Among the many things the Leader of the Opposition said was that most of the things that we are proposing are in the UDP's manifesto. That is what I call a back-handed compliment. They may well be in the UDP's manifesto—they are certainly in ours. But that is neither the key measure nor the basis on which we will be judged. That is not the basis on which our children will have a better and more secure future or not. The true measure is whether the Government has the will, the desire and the determination to effect those changes.

The Second Elected Member for West Bay said that when I was a Member of the Opposition I described the proposal to build a school in Frank Sound and in West Bay as pie-in-the-sky. So I did. However, it was pie-in-the-sky because the government had proposed it but allocated no funding to do so, and as far as I have been able to determine you cannot build schools without some money.

What is proposed in this document, "A National Consensus on the Future of Education in the Cayman Islands", is not pie-in-the-sky, it is all very doable. It will not be done in a week or a year, but many of the significant changes to the way we administer the system will be in effect by the start of the next school year.

I said in my opening the Motion that this is a multi-year approach to the reform of the education system and the dividends will not be truly realised for some years to come in terms of whether or not our children are performing better under this new dispensation. However, I believe we will very swiftly see changes in the attitudes of those who work within the system if we make the improvements that are proposed. If we devolve autonomy to the principals of the schools and give them their budget as we propose to do by the start of the next school year, give them the ability to determine whether a teacher should be allowed to go away to her grandfather's funeral or not, we will be amazed what that will do to morale.

The litany of complaints I have listened to over the course of the last four or five months of the most (to me) petty situations which must be deter-

mined by the Department of Education . . . I just have been unable to understand how the system could have been allowed to operate this way for so long. We have 14 schools and about 600 to 500 students, and every single thing must be determined by the Department of Education. Principals have responsibility, in the case of John Gray, for now about 910 children and 100-plus teachers, similarly at George Hicks, but they have no ability to give a teacher a day off if there is a serious situation. They have no ability to buy a roll of toilet tissue. It is these sorts of very basic but fundamental changes that we need to make—and make swiftly—and not be worrying about what some bureaucrat thinks that is going to do to his powerbase. I have no time for that, Madam Speaker. No time. I have a mandate, the Government has a mandate. This is a position of trust.

I can say to you, Madam Speaker, that there has been no day since I have been elected that I wake up without that on my mind. Some of my friends say I take it too seriously. I am not only talking about since I have been the Minister of Education. This is a tremendous trust reposed in each of us who have been elected here, a sacred trust, a duty to do the best we can to make the lives of the people we represent better. Nothing I have ever done has given me a greater sense of satisfaction, short of witnessing the birth of my two sons. Nothing else!

In many respects I am not a good politician because I do not say what people like to hear me say. I am not good at that—and I do not want to be, to tell you the truth, Madam Speaker. However, on my shift with this Government, we are going to do what no Government has ever had the courage to do—we are going to fundamentally alter the way the education service is administered, and we are going to improve the education product that is delivered.

When these strategies are implemented we are going to [be] among the best education systems in the world. That is the goal. We are not going to accept anything less.

We complain in this country (and I am one who does so too) about the lack of resources that we have because there are so many things to do. However, if we look around, at the region in particular, we will have a much better idea, really, how fortunate we are. With the tremendous resources we have there is absolutely no excuse for our children to be struggling. With \$50 million a year on recurrent expenditure, not counting the tremendous capital investment that is necessary to build new schools, we ought to have the best education system in the world.

As I said in another forum, when I went to the Commonwealth Education Minister's Mid-term Review in the Bahamas some months ago and was given the opportunity to chair one of the sessions—and I am talking about how much money we have to spend and what challenges we are facing in Cayman because of the critical need to build more schools and because of our tax structure, the country is rich many will say, but

essentially Government is poor—we got into a discussion about what the numbers were. I said we spend about \$50 million a year on recurrent expenditure. I was asked how many students, and I said about 6,500 students. The Minister of Education from Guyana said, *‘That is how much money you have to spend?’* I said, yes. He said, *‘well, let me tell you how much I have to spend: about US\$300 per student, per annum, on recurrent expenditure for education.’* We can do the arithmetic and determine swiftly how much we are spending.

With these tremendous resources that we have, even though we have maintained they are not enough, when we do the comparisons we understand. The system must be able to deliver a better product. That is what we have sworn to do, that is what we are committed to do, and that is what this Minister is going to give his all to ensuring. It will require some more pushing and shoving, it will mean that some more people will be upset with the Minister which is fine. I will only feel badly about upsetting people if, at the end of the day, the system is no better despite those efforts. If we achieve improvement, I ask for their forgiveness but I will have no apologies to make.

Madam Speaker, I wish to thank, in particular, the Second Elected Member for West Bay for his able contribution, and I thank all Members of the House who have spoken, and to take the opportunity again to thank those who have made it possible for us to get this far (I know I have said this before but I do not think I can thank these people enough): members of the Conference Committee; Mr. Garreth Long, the Chairman and the School Development Advisor; Mrs. Helena McVeigh, the Chief Inspector of Schools who was the Vice Chairman; Ms. Debbie Thompson, the principal of Montessori by the Sea; Ms. Debbie McLaughlin, principal of John Gray High School, Mr. Alfred Daniels, principal of Alternative Education Centre; Mr. Herbert Crawford, Senior Education Officer; Mr. Winston Connolly, attorney at Walkers; Ms. Tara Bush, Public Relations at the Ministry; Ms. Shari Bovell, principal at Lighthouse School; and the Report writing Committee chaired by the Permanent Secretary of the Ministry, Ms. Angela Martins, and which also included Mrs. Mary Rodriguez, the Deputy Permanent Secretary, Mrs. Helena McVeigh and Mr. Garreth Long; and to thank again, the sponsors of the Conference, Ernst & Young and NCB Consulting Limited.

I commend this Report, “A National Consensus on the Future of Education in the Cayman Islands” to this honourable House and ask all Members to give the Motion and the Report before the House their full support.

I thank you, Madam Speaker.

**The Speaker:** That concludes debate on Government Motion No. 6/05.

The question is **NOW BE IT THEREFORE RESOLVED THAT this Honourable House does**

**endorse the Report of the National Education Conference of 2<sup>nd</sup> and 5<sup>th</sup> September, 2005 entitled “A National Consensus on the Future of Education in the Cayman Islands”;**

**AND BE IT FURTHER RESOLVED THAT the Report of the National Education Conference of 2<sup>nd</sup> and 5<sup>th</sup> September, 2005 entitled “A National Consensus on the Future of Education in the Cayman Islands” be adopted as the blueprint for reform of the Education Service in the Cayman Islands.**

I will put the question. All those in favour please say Aye. Those against No.

**Ayes.**

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

**Hon. W. McKeeva Bush:** Madam Speaker?

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

**Hon. W. McKeeva Bush:** Just to make the point that, while we agree, we see the need for the people to know exactly what will be the changes and that is why we suggested it. We agree there are changes to be made so that is why we agree with the Motion.

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

**Hon. V. Arden McLean:** Madam Speaker?

**The Speaker:** The Honourable Minister for Communication, Works & Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, can we have a division, please?

**The Speaker:** Madam Clerk?

Under the Standing Order, he can challenge whether there are Noes or not. He can challenge the Speaker’s ruling that the Ayes have it. He has that right under the Standing Order.

**[An Hon. Member]:** Rolston did not vote.

**The Speaker:** Madam Clerk?

**The Clerk:**

**Division No. 3/05**

**Ayes**

**Noes**

Hon. Alden M. McLaughlin, Jr.  
 Hon. V. Arden McLean  
 Hon. Charles E. Clifford  
 Hon. George A. McCarthy  
 Hon. Samuel W. Bulgin  
 Hon. G. Kenneth Jefferson

Ms. Lucille D. Seymour  
Mr. Osbourne V. Bodden  
Mr. Moses I. Kirkconnell  
\*Hon. W. McKeever Bush

*\*Hon. W. McKeever Bush: Madam Speaker, to reiterate, while we see the need for the people to know what is being achieved—*

*The Speaker: Honourable Leader of the Opposition—*

*Hon. W. McKeever Bush:—in order for that to happen we agree there are changes to be made and so we support the Motion.*

*The Speaker: Honourable Leader of the Opposition, would you stand while you are speaking to the House, please?*

*I can only accept, as the Speaker of this honourable House, an Aye, a No, or an Abstention.*

*Madam Clerk, can we continue with the Division, please?*

**Hon. W. McKeever Bush:** Madam Speaker?

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

**Hon. W. McKeever:** Do not leave it like I did not say we agree. We agreed.

**The Speaker:** So therefore you are an Aye?

**Hon. W. McKeever:** Well, if I agreed it must be an Aye.

**The Speaker:** Okay, it will be recorded as an Aye.

**The Clerk:**

**Ayes**

Mr. Rolston M. Anglin  
Mr. Cline A. Glidden, Jr.

**Noes**

**The Speaker:** Honourable Members, the results of the Division . . . of the 13 Members in the Chamber, 12 Ayes, [5 Absentees]. The Ayes have it.

**Agreed Unanimously: Government Motion No. 6/05 passed.**

*[Inaudible question posed by a Member]*

**The Speaker:** Pardon?

Would you stand if you would like to ask me a question?

**Mr. Rolston M. Anglin:** Madam Speaker, just on a point of clarity, did you say there are 13 Members in the Chamber and only 12 voted for it?

**The Speaker:** The Honourable Minister of Health was not in his seat when his name was called for an Aye or a No. He was not in the Chamber so he is not voting.

Proceedings will be suspended for 15 minutes.

**Proceedings suspended at 11.44 am**

**Proceedings resumed at 12.04 pm**

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

**Suspension of Standing Order 46(4)**

**The Speaker:** I call on the Honourable Minister of Health to move the suspension of Standing Order 46(4)

**Hon. Anthony S. Eden:** Madam Speaker, I beg to move Standing Order 46(4) to allow the Bills to be read a Second Time.

**The Speaker:** The question is that Standing Order 46(4) be suspended. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Standing Order 46(4) was suspended to allow the Bills to be read a Second Time.**

**GOVERNMENT BUSINESS**

**BILLS**

**SECOND READINGS**

**The Firearms (Amendment) Bill, 2005**

**The Speaker:** Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to present a Bill entitled The Firearms (Amendment) Bill, 2005, to this Honourable House.

**The Speaker:** The Motion has been duly moved and is now open for debate. Does the Honourable Second Official Member wish to speak thereto?

The Honourable Second Official Member.

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

May I begin by saying that, like the Motion that went before, this Bill is also of enormous signifi-

cance to honourable Members and to the wider society?

The Firearms (Amendment) Bill, 2005, seeks to amend the Firearms Law (1998 Revision)—

**The Speaker:** Honourable Second Official Member, is your microphone on or do we need to have the volume turned up? I see no one in the cage upstairs.

**Hon. Samuel W. Bulgin:** It is on.

**The Speaker:** Could we please have the volume turned up on the Honourable Second Official Member's microphone?

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

As I said before, like the Motion that was just concluded, this Bill before this honourable House is also of enormous significance to honourable Members and also to the wider society. The Firearms (Amendment) Bill seeks to amend the Firearms Law (1998 Revision) in order to make provision for the imposition of a mandatory minimum sentence upon conviction for certain firearm offences and to impose restrictions in respect of the possession and use of bullet-proof vests.

The current Firearms Law stipulates penalties for persons convicted of firearm offences and the general range of sentences is a fine of \$100,000 or imprisonment for twenty years. There are instances where sentences have been imposed and concerns have been expressed that because of the length of sentences, persons are given early release and, as a consequence of that, in instances where firearms have not been recovered, those persons have the ability to re-commission those firearms into use. So not only do we have instances of repeat offenders but also repeated use of firearms.

It is felt in the circumstances, and given what has happened in recent months, a more robust approach needs to be taken in respect of the penalties for the use of illegal firearms. This is aimed at, among other things, enhancing and buttressing the other policing initiatives that are in place and that are being contemplated. So, Madam Speaker, the Bill before this honourable House will stipulate a minimum sentence to be imposed on persons convicted of certain firearm offences.

The Bill provides that upon conviction for importing, exporting, possession or use of specified firearms there is a minimum sentence of ten years that the Court has to impose. Accordingly, the maximum sentence of twenty years will remain in place. But the minimum sentence that a person is going to receive is ten years.

It may be a coincidence but, once this becomes law, when a person contemplates using an illegal firearm he really just needs to look down at his ten fingers and it will remind him that that is the mini-

imum period for which he will be incarcerated behind bars. We are hoping that it will have that sort of chilling effect on persons.

I have given notice of a Committee Stage Amendment which would make it quit clear that when one is sentenced for those years imprisonment, one will not be eligible for parole; so ten years means just that—ten years.

Madam Speaker, in section 2 of the current Law the term firearm is defined to include an air pistol, an air gun, any component part of any such firearm, and also ammunition. Because of the wide definition that is contained in the current Law it was felt that it might be inappropriate to impose a minimum sentence for certain lesser transgressions, for example, if a person is caught with just a single round of ammunition it might be considered draconian to impose a minimum sentence of ten years in such circumstances. So what has been done in this Bill is that the language has been crafted in such a way to make it clear that whilst the expanded definition of firearms remains in place, in respect of the minimum sentence provision only the use of certain weapons will attract the minimum sentence. So weapons such as machine guns, sub-machine guns, rifles, shotguns, pistols and any similar lethal barrel weapon will be caught by this new provision.

Additionally, in recent months and during the police vigilance to stem the upsurge in violent crimes involving the use of firearms the police have witnessed an increasing number of persons in possession of bullet-proof vests, persons who have no legitimate reasons to be in possession of these vests. At the recent alleged murder that was committed at the George Town Hospital, the assailant was wearing a bullet-proof vest. Similarly, at the recent robbery at a restaurant in Red Bay, the gunman was wearing a bullet-proof vest, so too were the persons involved in the robbery at Savannah Texaco. So there is a proliferation of bullet-proof vests in undesirable hands.

This is a very worrying trend, understandably, and the police confirmed that in a more recent incident they had intelligence which led them to recovery of another bullet-proof vest with the word "police" engraved across it. Accordingly, there is a provision in this Bill that will make it an offence to import, export, possess or otherwise be in possession of a bullet-proof vest without the written permission of the Commissioner of Police. The Bill in Clauses 3, 8, 9, 10 and 11 speaks to those offences.

Madam Speaker, it is without fear of contradiction when I stand here and say that the entire society is committed to ensuring that the qualities for which these Islands are best known, that is, our peace and tranquillity, do not slip away from under our very eyes. Our peaceful and tranquil society is coming under very serious pressure from a few selfish persons who are bent on pursuing their own selfish agenda even to the detriment of the larger society. Our borders are being pierced, our homes and our

privacy are being invaded, our resolves are being tested, our wellbeing is being threatened, our legal and criminal justice systems are being threatened, our police, customs and immigration are stretched and are coming under even greater pressure with each passing day, our law enforcement personnel are working tirelessly to serve and protect as they are sworn to do. Indeed, our tolerance level is under serious pressure. There is a widespread recognition, fortunately, throughout our society that in order to overcome this bit of turbulence we require the collective efforts of all law abiding residents of these Islands.

All of us in this honourable House are aware that our people have answered the rallying call to assist in ridding our society of this scourge. We need only to look at some of the headlines in our daily newspapers. Madam Speaker, the Chamber of Commerce and its entire membership has been very vocal and vigilant in their effort to (in their words) restore peace and harmony to our beloved Cayman Islands. The Government salutes them for their sense of patriotism. Our Rotary Clubs have been doing their part, we salute them also; our non governmental organisations, our print and electronic media have been playing their part. Again, we applaud them. Every Member of this House has been playing his or her part. To use the words of the Honourable Leader of Government Business, *"all hands are on deck."*

The Government continues to take the lead in this initiative. Huge sums of money—millions of dollars—have been voted to provide our law enforcement agencies with the necessary resources to combat crime. The raft of proposed legislation, including the current Bill being debated, the Firearms (Amendment) Bill, all consist of numerous crime-fighting initiatives. It is a further confirmation of the Government's continued effort to provide the necessary legislative mechanism to buttress the other ongoing initiatives aimed at rooting out this cancer.

So, Madam Speaker, the package is comprehensive—millions of dollars aimed at providing vehicles, equipment, accommodation, personnel, aircraft, marine vessels, et cetera, a proposed state of the art forensic lab, not just DNA but to enhance the forensic evidence gathering capabilities, a new Commissioner of Police, experienced intelligence led policing initiatives—

**The Speaker:** Members can you give the Honourable Second Official Member the opportunity to make his presentation?

Thank you.

**Hon. Samuel W. Bulgin:** Madam Speaker, in order to ensure that we make informed decisions when we are putting crime fighting measures in place such as the Firearms (Amendment) Bill, the Government has contracted the services of the a highly qualified criminologist to, among other things, conduct empirical and seminal research into crime in these Islands. It is

common knowledge, not just among us, that crime is multidimensional and multi-theory. It is that sort of a phenomenon. So the Government wishes to take a scientific approach in this issue.

The message being conveyed by the Firearms Bill is very simple, it is clear, unequivocal it is very loud. The approach is very surgical and it goes like this, *"If you are involved in antisocial behaviour, including the use of illegal firearms aimed at disrupting the peace and harmony of our country, aimed at threatening, not only our economic wellbeing but our very physical existence, you would have forfeited your right to co-exist amongst decent law abiding citizens. Therefore you will be arrested, detained without bail for as long as necessary to conclude the investigation and after a proper adjudication by the Court you are found guilty you will be given a long sentence. In the case of firearms you will receive a mandatory minimum sentence of ten years behind bars."* Madam Speaker, when they get ten years, they will remain in prison for ten years—not eighteen months—and they will not be entitled to parole.

Government clearly recognises that this will have other implications as it relates to accommodations of the prison, but Government is committed to dealing with that aspect of the equation also. We hope that in spelling out this message succinctly as we have done in the Bill, such as the Fire Arms (Amendment) Bill, that the message will get to the right persons and that it will serve as a deterrent to being involved in criminal behaviour.

The Government considered the measures in the Bill reasonable and proportionate in all circumstances.

Madam Speaker, I have given notice of two committee stage amendments that I propose to move at the appropriate time. With those introductory remarks I commend the Firearms (Amendment) Bill, 2005, to honourable Members of this House.

Thank you.

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

The Honourable Minister responsible for Education.

**Hon. Alden M McLaughlin, Jr:** Thank you, Madam Speaker.

I know that Standing Orders do not permit us to refer to other Bills which are not yet being debated, but I think that the House can take notice (in another setting I could say that we could take judicial notice) of the fact that this is the first of what is a raft of anti-crime legislation that is being moved by the Honourable Second Official Member over the course of today.

The comments I wish to make in relation to this are of a general nature and applied not specifically to the Firearms Law but to the dismal and worry-



ing situation in which we find ourselves in the Cayman Islands in this Year of our Lord 2005.

There is no question that there has been a worrying trend in the growth of violent crime in the Cayman Islands over the course of the last four or five years. There is no question in my mind either that the situation is getting worse all the time. Those who are perpetrating these crimes are becoming increasingly bold; they snub their noses at the authorities and at the police force. We know full well on this side, that in recent times threats have been made which we believe are aimed at seeking to intimidate the authority of government and the judicial system.

It has been a very worrying time for all of us. And despite insensitive and misplaced remarks which have been made by persons such as Mr. Steven Hall-Jones and Mrs. Carol Hay in various articles in *Cayman Net News*, I wish to assure this country that this Government is not intimidated. The best evidence of that are the measures that we have taken and are taking right now to deal with the worrying situation which this country faces.

As has been previously announced, we have committed to spend \$47 million over the course of the next three years to ensure that we have the necessary resources, manpower, equipment, training and accommodation to allow our law enforcement agencies to work effectively to deal with this worrying situation. The legislation which is before the House now, the Firearms Bill and the Bills to come, is part and parcel of the overall strategy of the Government to take the fight to the criminals in this society. In addition to that, we have to strengthen our Immigration Law, regulations and procedures. We have to be able to scrutinise more carefully those who visit these shores. There is little question in my mind that one of the biggest contributors to the growing problem we have with crime, is the policy decision taken in the immediate aftermath of Hurricane Ivan to relax immigration regulations and to allow all and sundry to come to these shores without police records or careful scrutiny being made. I am not trying to pretend that we do not have home-grown crime, nor am I trying to suggest that there is not a core of really hardened criminals in this society who are prepared to do anything—including murder—to effect their purposes.

Many persons have said to me that there are known gunmen and gang members in Cayman from two jurisdictions in particular. I have been told that by people from those jurisdictions. So the Leader of the Opposition can mumble as much as he wants, but I hold fast to my view that that relaxation of immigration regulations in the aftermath of the hurricane is a major contributing factor to the growth in crime that we have had but this Government is going to do something about that too.

We have to work together—the Government, the Opposition, the business community and those of us who live here, we have to band together and de-

velop effective strategies and adopt zero tolerance to this sort of behaviour.

The Government is doing everything it can, we have a new Police Commissioner expected to arrive Saturday or Sunday, and he is bringing with him two senior officers, and they will be followed shortly by another half dozen or so specialists to assist the police force with developing effective strategies and to assist them with training, direction and guidance to be able to fight the growing crime wave.

If we do not get a handle on crime all the rest of this is going to be for nought. We are not going to be able to live in this society in the relative safety and security that we have all either been born into or grown use to, and the tourist industry is going to be significantly and negatively impacted. The financial industry as well is going to be impacted because when big organisations make critical decisions about locating their operations a major factor is the quality of life in that jurisdiction.

So, for every reason that is good we have got to get a handle on the crime situation. We cannot dedicate too many resources, we cannot commit too many personnel to deal with the situation and we cannot ignore the social circumstances which continue to contribute to home-grown criminals. A part of that is the education system. We have to devote the resources necessary to ensure that all young people that come through the education system come through the system equipped with skills which enable them to be productive citizens in this community.

It is only through addressing this issue on all fronts that we are going to be able to achieve the kind of success that we need. These measures which are before the House, in particular the Firearms Law, are aimed at ensuring that those who perpetrate serious crime are put away for significant periods of time, taken off the street—take them out of the running, as they say—and take them out of operations. So Madam Speaker, for those reasons I give my support to the Firearms Law and as I said my comments are applicable to the rest of the range of proposed legislation that is being moved over the course of today by the Honourable Second Official Member.

Thank you Madam Speaker.

**The Speaker:** Does any other Member wish to speak? The Third Elected Member for the district of George Town.

**Miss Lucille D. Seymour:** Thank you, Madam Speaker. I rise to support this Bill and to make a few comments.

I grew up in the Cayman Islands in the 1950s, 1960s and 1970s as a young woman having no fear of—

*[Interjections]*

**The Speaker:** Honourable Members, it is impossible for the Third Elected Member for George Town, who is on her feet trying to make a presentation, to continue if you are going to have crosstalk so loud that even I cannot hear what she is saying. So can we please stop the crosstalk while persons are making their presentations?

**Miss Lucille D. Seymour:** Madam Speaker, crime is a learned behaviour. The Bill that we have today is about [behaviour] when used illegally creates crime and violence. In addition to that, there is a crime that we have perhaps ignored, and that is to do with the mouth. We might think that this is not important, but what we say to each other, whether it be in a formalised way as in these hallowed halls, or what we say to our children, impinges on how we behave as civilised human beings or whether we become criminals or good members of civil society.

I say this because there is a psychiatrist who, after many years of studying criminals, came to the conclusion that violence and criminal activities are cultured into young people. We were born tabularised, where we have a clean slate and the environment is what has affected us. He went on to say that when adults, in particular parents, abuse children verbally or otherwise over a period of time [there is] inculcated the propensity to be a criminal. That is not my research, that is his research and if you wish, Madam Speaker, I could bring you that book on violence.

When I spoke earlier (and was interrupted) I wanted to talk about my childhood. My childhood, short of other little things and lack of money and what not, [was in] a safe community, Madam Speaker, you and I (and I would dare say some others who are nearing my age) also grew up like that. What I have noticed over the years, in particular coming out of poor circumstances, there was a trait in us accepting minor incidences from our children such as stealing from the local shop, lying, telling off the teachers and incidences like beating your sister or brother and today what I see, those incidences have grown into larger incidences—what we call criminal activities, whether they be by outsiders or by our own. But from where I come from, which is off of Shedden Road, I have been able to see parenting that has led to our young people becoming criminals.

Madam Speaker, what I am happy about today, and I have spoken about it from 1998 when I first started to think about becoming an Elected Member, is that the destiny of our people lay here. This is where we decide if they die, and this is where we decide if they are buried well. I say that because it has taken us so many years with so many incidents to change the laws, the Penal Code and all of the things that affect us and keep us from being safe. I am happy that today our learned Attorney General along with the PPM has decided that enough is enough.

*[Inaudible interjection]*

**Miss Lucille D. Seymour:** Do not worry Second Elected Member from West Bay, I will stay on course and I will not filibuster either!

I have heard many judges in the Court say, "it is not me; it is the legislation why he or she got away". Well today the eighteen of us, I believe, are going to make sure that the legislation is such that if anyone decides he is going to go over civil society and decide to enter into any criminal act, he is in for a shock.

I am glad I am here and perhaps I have family that might be in this situation but I warn them from these hallowed halls that we want Cayman to be safe, not only for the tourists but for us! Our senior citizens who can walk the roads of Shedden Road, our young people who want to frolic in the park, our mothers who want to take their children for a stroll and at two o'clock in the day not be held up by a gunman, a masked man (women included) and you have to shut in. I now live temporarily in an area that has been entered into three times in one month, and it was just this morning I was talking to the neighbour and said this is enough. I live in an area where a beautiful half-pit bull dog was raised and within an hour and a half he was stolen. When we searched the neighbourhood for the dog, even those old dilapidated dogs that sit along the roads, there are none! And you question that and I worry about it!

Now I am not a person to worry, I am not afraid of anybody. I grew up on Shedden Road. I am a street girl and I understand. I do not know how to use a gun, but I am sharp and I will learn. I will not want to use a gun because that is violence too and violence is also about protecting one another and the laws that we put in here.

I worked with a lady by the name of Joanna Clark, one of the most outstanding educators in the Cayman Islands. As a matter of fact she revolutionised language arts in the Education Department and the same ones that are there now pandering for promotions ganged up on her and she was dismissed and retired early. She said to me, "Lucille, do you know why I want to teach reading to the boys? Because when I become an old woman I want them to be so educated that they do not trouble my house." Madam Speaker, thirty five years afterwards she walked into her house one day and it was robbed by young boys.

I agree with the Second Elected Member for West Bay when he spoke on education this morning, that we must be gender sensitive in our education system. Those of you who know me know that I have been preaching for years that unless you look deeply and carefully, at the length and breadth of the education of our boys of this country, unless we do that we are not going to be able to get at the root of some of the causes of why they have moved on the other side.

My challenge, Madam Speaker, to my learned friend and colleague, the Honourable Minis-

ter, is that in his blueprint for solutions to have an experiment on the education of boys alone to ensure that the Bill we are discussing today . . . that they will not be a part of it. We have, to the best of our ability, done a lot to ensure that we save them.

Finally, Madam Speaker, the Bill before us is timely and I am glad that at this juncture in my life I have a part to play in putting my "yea" to it.

I know it is going to be costly, but I ask one question, where and how in the world can you bring in a bullet-proof vest without somebody seeing you?

Thank you, Madam Speaker.

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

The Honourable Leader of the Opposition.

**Hon. W. McKeever Bush:** Madam Speaker, a lot of laws are before us that hopefully will give the judiciary the wherewithal to deal with some of the things that criminals do, when they catch them.

All the money in the world that we can throw after it, all the laws that we can amend to give the judiciary the powers will not do the trick. What we are doing needs to be done.

It is not just the PPM. I heard what the Third Elected Member from George Town had to say and again they would like to take a big white sheet and throw on it, stamp PPM and say this is us. No!

Madam Speaker, in all of my years of working in Government and in my fifty years in these Islands, I have never had anything to befuddle me more than what is happening today. We can stand here and talk about the education system and about the need to give whatever provision for the boy or girl, but I look back and recognise how things have changed in my fifty years.

I went to school with nothing. I had a God blessed mother that beat me into submission. I was lucky that I lived close to the Town Hall and I could walk there barefoot. I was lucky that I had good teachers. The Lady Member for George Town was one of those who liked to beat you across the belly when you did not comply with everything that she wanted you to do. She also did it with a ruler. It is a good thing we did not have her long. But all of that added to our lives for the better. Since then we complain and make a lot of noise about what our children need today. When I look back on the last thirty years, there is not one person today in these Islands that needs to turn to a life of crime because there is something for everybody to do if they want to do it. There is an honest living for every man, woman, boy and girl, if they want to do it.

I wonder how better off are the lives of those who commit crime. I do not know that something pushed them into being criminals. I look back to the 1970s . . . and I refused to keep company with some of them that came to the Legislative Assembly, that came to my home or who see me on the street and

beg. And I say, yes, there but for the grace of God go I because I look back on the 1970s and I was cursed because I did not join the crowd and I had to fight my way through it and be called all kind of names that have even stuck with me because I refused. When we were pointing out in those days that we had to start to do something about the situation and I brought Motions here when I was lucky to get here by the people who elected me because they thought I could make a difference from the things that I was saying. When I came here I tried to do them.

Maybe we can say that drugs such as ganja took hold and cocaine came afterwards because some people refused to acknowledge and mix with the people and the patents of the children that were doing it. I remember distinctly one particular lady that was ridiculed because her son turned out to be a Rastafarian. Even the church ridiculed her. Rather than those 'Pharaohs' (because that is what they were, and probably still are), because they were at the top of the social ladder and they could not mix, they would sit in their little cliques and talk, but not much was done. I often wonder whether that trickled down.

When you look at the Cayman Islands as we know it and we have grown up in, we can say that there is no real cause for anybody to turn to a life of crime and the destruction and the absolutely petrified old people that we now have who they go into the old people's yards, hold them up and steal their money—what little they have. They do it to their own family! I've cried out more than once, "*why are you doing this, this is the place you have to live, and what kind of life are you making for your children!*"

I have never been one that was scared to speak my mind, but today you have to wonder whether you can. I am not scared to go anywhere because I treat all people alike. I respect them as they need to be respected, but you have to wonder when you find that you now have to have bodyguards. This is not good. Who can we blame this on? All across the globe crime affects good law-abiding people.

My sister left customs because she was not well and she started a small store, she treats everyone in the neighbourhood good and I guess she has a booming business. When she and her husband were closing the store three young men ran in, robbed her of what she made for the day (\$3,000) and ran off. Luckily, she is married to someone who is not scared. He said, "*I worked too hard for that*" and he chased them and caught two, they fired a flare gun at him but the one with the money got away.

My son has a wave runner and it cannot be moved unless you have a vehicle to move it—two young boys stole it. We do not know how they moved it; someone in the neighbourhood had to see because a truck or car had to go in there to move it. We went to the police and the police said, "*we cannot do anything*" but people came and said they had their information. It was broad daylight and somebody in the

neighbourhood had to see something even if it was the maid. It is happening across the length and breadth of this country, not only on Shedden Road.

Perhaps this debate should not be aired because everything goes on the *[Cayman] Net [News]* and people are reading all over the world and we are getting questions from all over about what is happening in Cayman and whether it is safe to come. Sometimes you are dammed if you do and you are dammed if you don't.

Madam Speaker, these are dangerous times. I asked a question today about protocol and about people having security. It is not that I do not want that—I think we have come to the place where you as the Speaker should have your driver to take you here and to official functions. I have said that many times and when I got one because I was overburdened with work I was cursed about it. But what needs to be done needs to be done. If you need protection you should have it. People cry out and say, *"what about us?"* That is why we are here as Members. There is no doubt that laws have to be changed.

Madam Speaker, in this most serious matter, the Minister of Education pointed the finger to blame somebody. There is no need to rehash what happened after the hurricane, but checks were made on the people. I understand that they all left, that was my information. I do not know whether some that are still working on CUC lines are some of those, I think that some are still here, but the decision was made after the hurricane because there were certain things that had to be up and moving quickly. Requests were made from good, law-abiding citizens. But I say again, when are we going to stop blaming Jamaicans, Hondurans, Americans and the man on the moon for our own problems?! When are we going to accept that we have people in this country who are criminal enough to come into your house, hold you up, tie you down unless you can give him fire for fire and thunder for thunder!

When?!

It boils me when someone points their finger at McKeeva and say, *"you did not do your job."* What more could I have done but to ask some of the Laws that are being done here today—I go back and look at a press conference held 17 July 2003. I stood on that side over at the Kirk Building and made those requests. At that time I said that 'the position of this Government is that serious crimes deserve hard punishment. Laws must be enacted so that criminals receive punishment to fit their crimes. We support the Police officers that put their lives at stake every day in order to serve our community. We must ensure that they are able to effectively carry out their duties without fear of being treated as criminals themselves. I hasten to say no one is above the Law. Needless to say we cannot sit back and watch the country fall into similar problems that some of our neighbours have experienced.

We must implement plans to protect the children from these criminal elements so that they can become productive citizens of this country.' Here is what I say that is important because it goes right to the point of people here wanting to blame someone else and, yes, the good law abiding people here can lay blame for them being attacked in their homes, on the streets, in the parks or in their businesses, that is what we all need to worry about but I continued by saying that 'historically the country has been profoundly ambivalent about the goal of the criminal justice system. They have wanted a criminal justice system that apprehends and visits appropriate consequences upon the guilty, that is punishment, makes offenders more virtuous or at least more law abiding, that is rehabilitation, dissuades would-be offenders from criminal pursuits, that would be deterrents, protects innocent citizens from being victimised by convicted criminals incapacitation and invites most convicted criminals to return as productive citizens to the bosom of the free community, reintegration.

They want the criminal justice system to achieve these multiple vague and contradictory public goals without violating the public conscience, humane treatment jeopardizing the public law constitutional rights or emptying the public purse cost containment. Thus, for example, Caymanians have wanted stern treatment of prisoners without any damage to the prisoner's rights and the reintegration of offenders into the community without any threat to public safety. There is no way to perfectly reconcile these conflicting public goals and mandates'.

That is one of the big problems today. How many families or how far can you go into this community before you hear a parent say, *"not my poor child, he didn't have a job"* . . . do you mean to tell me that from the time he came out of school—and he was causing problems while he was in school, and now he is out of school and doing the same thing at age 25—and he has no job? I can give them work right now pulling bush in my yard, as sure as anybody else can do the same thing, cleaning something, finding honest employment. That is some of the problems in this community! *McKeeva, you shouldn't say that my poor old grandchild should be hung.* He should be hung by the neck until it pops! That is what is wrong with this country today!

I am one that believes in capital punishment. I believe in it! The day that the United Kingdom struck it out was the day that they dammed this country! Nobody is afraid to go anywhere because they can carry any gun and, as you heard, life does not mean life anymore especially when they put some pastor as head of the prison parole system. And then they go and do what?

**The Speaker:** Honourable Leader of the Opposition, I know that you have much more to say,

**Hon. W. McKeeva Bush:** I do.

**The Speaker:** is this a convenient time to take the luncheon break?

**Hon. W. McKeeva Bush:** Perhaps I have said too much Madam Speaker, but I want to say that the PPM does not have any more resolve to do what is good—

**The Speaker:** Are you going to come back after lunch to debate?

**Hon. W. McKeeva Bush:** Yes, Madam Speaker, I will end it right here.

The PPM does not have any more resolve to do what is necessary or what is good than the Members of the United Democratic Party and than what I attempted to do.

When I come back I will tell you why I could not say more at that press conference.

**The Speaker:** Before we go for lunch, do I understand the Honourable Leader of the Opposition that his contribution is not finished?

**Hon. W. McKeeva Bush:** You got that right.

**The Speaker:** Proceedings will be suspended until 2.15 pm

**Proceedings suspended at 1.05 pm**

**Proceedings resumed at 2.48 pm**

**The Speaker:** Please be seated. Proceedings are resumed. Debate on the Second Reading of The Firearms (Amendment) Bill, 2005 continues.

The Honourable Leader of the Opposition continuing his debate. Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

I was dealing with the expectations of our public over the years, not just today, and how they expected us and the system to deal with punishment, rehabilitation, deterrence, incapacitation, reintegration, human rights, constitutional rights, and then to [also] contain the costs. That has been some of the problem in this country for years.

What successive administrations have done over the years, therefore, is let the programmatic pendulum swing with the public mood. Do you know what I mean, Madam Speaker? We have to do what the public wants us to do or else the public will not vote for us. So even when you try to put down a strong policy or a strong piece of legislation it is so buttered and so melted down that it's really not effective—no teeth! So the pendulum swings with the public mood between liberal and conservative approaches to crime prevention and control.

I said back then in the House and in that press conference that violent crime is rising and we must make a concerted effort to implement all available strategies to ensure that we stop it. Since then some really hard things have happened in this country for any law abiding person to swallow and to say, '*Oh, it will go away.*' It will not!

We have to be strong when dealing with criminals and we have to punish them for their crimes.

I said then that we cannot tolerate a liberal philosophy in combating criminal elements within these Islands. We, in the United Democratic Party, supported the changes in the laws. We wanted to see a mandatory life sentence with hard labour for importation and possession of unlicensed firearms. I do not see any of that in the Legislation before us. I will not debating all of these. I will only say what I have to say on this one. I will not attempt to debate every amendment before me.

I do see one little amendment and that is to a different . . . I do not know where it is coming from. Anyway, there are so many before us. I guess it has something to do with crime as well.

We wanted to see the following crimes against our community carrying a mandatory life sentence with hard labour. That is strong in this country because, as I said, of the programmatic pendulum that swings with the public mood.

Importation and possession of unlicensed firearms: We just heard, while we are here debating, of a situation at the court house. I do not know where he came from. Do they want to say that he comes from some other island or whether he is Caymanian? However, I do believe that when toy guns are used to put people in harm's way, it must be treated as a firearm under this or something from this Law must apply to it. It must! I really believe that, but I do not know whether the House wants to take it on.

Yes, some kind of punishment.

Madam Speaker, there are far too many guns in this community. I have a little more to say about the police with guns, but there are far too many guns in the wrong hands. I know there are attempts by the social clubs to "buy back" (I think it is called). I do not know if that is working; I think that some time ago there were quite a number of guns given in. That is not the first time we have heard about it. We had that before and there were cries against it. Again I come back to that swing with the public mood between being liberal and conservative in our approach to crime.

The importation of hard drugs and the selling of hard drugs—we say carry a mandatory life sentence with hard labour. I recall after they finished that, I had occasion to talk with some members of the community and some members from the radio shows about champions (that was on there every day). They asked me what we were going to do with hard labour. What are we going to do with hard labour? Do not tell me there is no hard labour in this country to put them

at work. If we have to put them on a cliff, pop one rock, put them back out there to pop it again.

There are far too many unlicensed firearms. The English policy has been no firearms, or only to a special person. It seems that we do need a lot of those kinds of people. What are you going to combat it with? Especially with the modernised weaponry that exists today, what will the police combat it with or what do they expect me to do? I do not have security right now, except that I tell them that it will be thunder for thunder and fire for fire. How do they expect the honest citizen who has a store or who has a business . . . I have been in government (as I have been reminded by the Minister of Education) for a long time. I have been through these battles too. How do you expect people to protect themselves when they cannot get such firearms? Even if it is for a farmer sometimes it is for a problem.

Even as much as some may want to criticise the police, how do you expect a group of police officers to go out on Eastern Avenue, or Shedden Road, or East End, or West Bay, wherever, to deal with a criminal matter where gunfire is in progress with no one trained in the use of a firearm? How do you expect the police to do that? Go in with a little Toyota car or a slingshot?

We have been too kind in attempting to be this modern society that did not need it. I was told that from the 80s right here in this Chamber, *'You don't need this. You don't need it!'* Maybe a canon or something else!

Madam Speaker, I am not one that wants this whole place to be covered with guns here, there and everywhere. I do not think I could sleep. However, it has happened. There is no use in us hiding our heads in the sand like an ostrich.

I do not care what the Governors have to say, Madam Speaker. When I went to that press conference I remember His Excellency the Governor telling me, *'You cannot say so-and-so. I am not going to allow you to do so.'* I tell you, I had to really bite not only my tongue, but my lips hard because I know that certain things needed to be said.

The passive way and the mollycoddling of criminal elements that has been the policy over the years that has come down because we have to follow, more or less, what the English Service does, has not really benefited us. Do not tell me that we have not tried. By God! Look at what we have done with Northward! They call it "Her Majesty's Hotel"! I understand that if they do not get steak or good pork chops, the best food in the world, they burn it down. Not only that, they get cell phones now so they can call out. They can call your home and talk to a Member of Parliament, or they can call your wife and cuss her off!

I hear they even buy numbers. What a good trade.

What a mess! Because we want to mollycoddle them, talking about human rights. Human rights my foot!

When you commit a crime against the community you have forfeited your rights. I am not talking about bulldozing people because people will commit a crime and go in there and be passive. However, especially those who want to carry on and still continue the bad things from the inside that they were doing on the outside—

*[Inaudible interjections]*

**Hon. W. McKeeva Bush:** How long have we been talking about hard drugs and the selling of hard drugs? How many times has the Law been amended? I have seen administrations do it where I have two or three packs of cigarettes put together to show how much ganja could draw a small sentence. They say it (the ganja) is not bad, and the cocaine is worse. How do you think it started?

You grew up here, Madam Speaker. I am 50 years old. It started then, and some people say a long time ago; it started and went from one thing to the next. You cannot condone any of it!

I remember the Attorney General at the time giving me some serious licks because I did that and because he had the last say. I remember that day when I rubbished together those cigarettes to show what they were attempting to do, so much so that I did not want to speak to him after that. However, I was very glad to see him in about an 8x8 office up in Bermuda.

We amended the law and amended the law and we have been kind because of this swing with the public mood. *No! No! No! You cannot do that to my poor child.* Remember, he had no job and could not get a job in this country. Maybe there are those who are not getting paid what they should be—that is something else to look at. But I say again, as I said this morning, there is no cause in this country for people to become criminal because there is nothing for them to do, not in this Cayman Islands that I have known for the last 20 years. There has been work. It may not have made them a millionaire, but they could certainly go and buy a BMW if they wanted because the banks want to give it to them.

They had a good standard of living. There is no cause for it and there is no cause for this House to be soft in any shape or form in this matter of dealing with criminals.

I know there are some in the Foreign Office who do not think what I think, but I certainly believe that Singapore has the right attitude when it comes to dealing with crime, especially when it comes to dealing with drugs. What else can you do, Madam Speaker? They have employment. They get everything they want—the best clothes, the best food, the best cars, the best girls, the best bicycle if that is what you want. You can get all of that or whatever else you need in life, and then you can come and disrupt the country?

The tourists cannot come, a man cannot pay his mortgage, he cannot feel free to go out and leave his family, or even just himself going out. That is the kind of thing we will allow to happen?

Good old people . . . a lady in West Bay, [they went] in and [took] her money. [They] tell the maid, 'Go to the room and get the money', and they walk out with the whole month's money. And you say that we must take pity on these people who are doing drugs, who are selling drugs and importing drugs? Uh-uh.

It is the same with rape. There is no need for it. There is no need for a man to rape a woman, none. When I am on the public platform, or through any public medium, I try to plead with those people, 'Look, you are only hurting yourself.' Most of them probably have children themselves. What are they leaving for their children? What are they leaving for their nieces and nephews? What are they doing? You may have grown up with some of them, as I have said. What are they doing in this life, Madam Speaker? There is no need for it—attempted murder, armed robbery, to go into a man's home, tear up his family and threaten him. You know if they caught him there would have been a funeral. What are we going to do?

I say we have amended laws and amended laws, and I do not believe that the drafters can find anymore words to put in these or anymore ways to shift them. It may give them another year, perhaps another two years, but will it help? We may want \$50 million, and hopefully it will help.

In that same press conference I said that I support a curfew for children under the age of 17. We talked about national identification, we talked about the proper radar and other interdiction methods needed, I talked about going the home guard route, but then we said no, that was not the way to go because it cost a lot more. However, proper radar equipment on the three Islands could work if we had other interdiction equipment. We said that whatever the police need they would get to assist in stamping out the rise in crime, whether it is manpower or vehicles or other equipment.

It has certainly become worse. Things that have happened in the last couple of months show they are not scared. They are not frightened to go wherever they wish—into people's homes, in the dancehall, wherever. They are hell-bent to mash up the country.

Back in the 1980s there were something like 13 unsolved murders, but this is not the first time we have had crime. It has only escalated now to where it is coming into people's homes and in people's businesses more regularly. However, we had 13 unsolved murders . . . so much so that I lead a rally demonstration (Madam Speaker, you would remember that) because we felt that there was nothing being done. Thirteen unsolved murders! And we said back then in the 1980s (1983 or 1982), 'Oh, if we don't do something today it's going to escalate to our homes, it's going to escalate to our children.' Madam Speaker, you will

remember because you were part and parcel of it with me.

So it was said, and so it was done. Do not say that different administrations have not tried. Everyone has tried a little bit. Yet, again, so many are so afraid of that vote that it swings with the pendulum to pacify the public's mood—you do not want to hurt this one because you know them. You do not want to hurt that group up there on Shedden Road because they carry many votes.

Look what is happening with us. There is no time for this. It went from one thing to the next and they said, 'You know what? We are going to put the gallows in place.' All of a sudden, you never heard *quehey!* You never heard the cat's meow. Things are good; people are behaving themselves a little bit better.

Today, there is nothing to scare them. As soon as the United Kingdom took away the authority to hang, there was nothing left here to scare hardened criminals. They do not care if they try to come into this Assembly.

Did you lock the door, Madam Speaker?

They do not care. They do not care if they shoot at you in the court house. They do not care!

If they were just fighting amongst themselves in a little room it probably would not matter. However, good people are put in harm's way, and we have nothing to combat it with. We have no hard labour, and I wonder why this House cannot do that. Why is it that we here cannot amend the Law to say there should be hard labour, and then try to specify what that hard labour will be? Why can we not do that? I understand why we cannot do hanging, because the UK will not allow us to do it. Mind you, my attitude is do it—and the UK be damned—because it is our country, and if we leave it as it is, it is going to hurt us further.

We all heard about, 'Oh, we do not want to be like Jamaica'. That is where this thing built up about 'it's the Jamaicans.' That is where that came from. When that good country started to get its own problems, that is what was said, 'We do not want to be like Jamaica'.

We do not want to be like Jamaica? At least their Attorney General can go home!

Hang them until they are dead!

I have no qualms and I moved a resolution before and debated it, and I still support it today. If the Leader of Government Business would move it and take it back to London and say, 'We moved it, so you tell me why we can't ...' I will second the motion with him.

We need to do something other than just giving the courts an amendment. We need to do a little bit more. They are going to tell us about human rights and constitutional rights. Well, what about ours? What about the good lives of good people?

Sometime ago a serious crime unit was set up to go out and crack heads. That was what was needed because they had started then. They would

go alongside a church; they would go where old people were. They would carry on their sessions, doing this and that, carrying on a big ganja party—and if you went two miles away you would likely get high. So we set up a serious crime unit, and that needs to be strengthened, restocked and given the necessary power for them to take Cayman back—cost what it will.

Now, Madam Speaker, how can you expect a group of police to go out there with a slingshot? As far as I am concerned we need something else here. What are we going to do, wait? Wait for what?

I said this to this House and to His Excellency the Governor while I was in Cabinet: this thing is not going to get any better. Let us bring in a paramilitary group to deal with these people to make them understand that here in this country it is Law and Order and that is what we are going to stand up for! We cannot wait until the law is put in the hands of a judge, until the police catch the criminal, because we do not know if they are going to catch them.

In this country the police need help. The police need the community to talk, but the community is afraid to talk. They go right back to that age-old thing of *'You can't tell the police nothing.'* That is the excuse. At the same time, some of them are the same ones who say, *'Don't do that, now, McKeeva, because that is my poor little grandson and you know how much we love him and you know how good he is. He isn't a bad fellow, you know.'* Not a bad fellow? He needs to be flogged every step of the way and they should bring him back and flog him down.

It seems extreme, and I know that some people in the press say, *'Boy, he is really ranting today.'* But let me tell you—you in the Gallery, you in this House—that what I am saying comes from my heart.

Call me ignorant!

Call me what you like.

What I am saying is that this country is not going to get any better by giving the police a little bit more vehicles and amending the Law. If there is nothing else stronger for them to carry out, if they cannot get the public to come forward with information, how are they going to deal with it? You can give them all the cars in the world. Then they could fly.

The Minister of Education said that the financial industry will be affected. Tourism will be affected. Certainly it will be affected! No one needs to believe otherwise. It is not far off that people will question it. People are already questioning it when it comes to tourists. However, in the meantime the people of this country are being attacked.

So we might as well throw away the old scapegoat of blaming everybody or, in particular, Jamaicans, when those they have so far apprehended have been our own Caymanians.

It is time that the Caymanian society accepts that what has bred up here in the last 30 years is people that . . . with the help of television, I must say. It seems like everything it does, they do too. What mon-

key see, monkey do. You cannot get anywhere by blaming McKeeva, or by blaming Jamaicans or Hondurans. Although some who have been apprehended have been of a different nationality, the vast majority have been our own people. Our own people!

I say today that we would be derelict in our duty if we only passed these laws and did nothing else. God help us all.

Having said that, I will now talk a little bit to the Chief Secretary, because nobody knows . . . you cannot wait for these laws to take effect. Firstly, they have to apprehend the criminals—one in the court house today, and tomorrow the Assembly; weekend stores, jewellery heists, going to people's yards and holding them up. It could be you next, Madam Speaker. I said this morning it could be the driver taking you home; it could be anybody in this Chamber. We do not know. We pray to God.

I would hope that those who are in charge of the police will listen to what I have said about the policy of those who have to go out to deal with criminal elements.

At the opening of the Grand Court in May 1998, Chief Justice Harry announced sentencing tariffs and guidelines for certain problem offences. I believe those tariffs and guidelines were put in place for sentencing. Unless I am told otherwise, I guess the judges re-examined them, but I believe they are, more or less, still in place.

The public wonders what happens when you say 15 years and it is not 15. For assault causing grievous bodily harm the terms range from probation to 12 years and immediate imprisonment. I believe that they asked that that be changed to create two categories of offence: one for the offence of special intent to do grievous bodily harm, carrying a maximum penalty of five years; and then the Firearms Offence Law. Unless there were very mitigating circumstances, the tariff would have been 10 years. On the other hand, if there were aggravating circumstances, for instance the use of a firearm for the commission of a serious offence, the tariff would be in keeping with decided cases and would be significantly higher. For sexual offences, for rape the tariff is 10 and 12 years imprisonment, for defilement of a girl under the age of 12 years, there is a similar tariff of between 10 and 12 years. If a victim is over 12 but younger than 16 years, the Law prescribes a maximum penalty of seven years.

The Courts do recognise the seriousness of the offence, and I believe they made some other recommendations.

As for drug offences, simple possession, the Court tries to help steer along the path of rehabilitation using whatever resources the Island has available. Where there is an addiction they emphasise rehabilitation, but offenders in possession not leading to trafficking, not yet but soon to be addicted, a sentence of deterrence would be appropriate. In those cases, a tariff for amounts ranging from one gram to 10 grams,



for many years has been and will continue to be nine to 12 months imprisonment and a fine of up to \$1,000 for a first offence; for a second or subsequent offence one and a half years and a fine of up to \$2,000. That is at that end of the scale.

At the other end of the scale, where it is a more serious offence, that is to say trafficking, the maximum penalty prescribed for offences involving two ounces or more is 20 years for the first offence and 30 years for a second or subsequent offence. I do not know if anybody ever received those sorts of sentences, but I do know that that is what they propose. The tariff for such offence involving less than two ounces of cocaine or less than four grams of cocaine base without mitigating circumstances would be eight years. For offences involving two ounces or more or four ounces or more of cocaine base without the mitigating circumstances, the tariff would be 10 to 12 years. Fifteen years or more would be imposed where such an offence involves substantial importation or dealing in any way either in powder or crack cocaine. And they would have to find substantial importation or dealing as any transaction involving several ounces or kilo quantities.

For robbery a first offence involving the use of a firearm could attract a tariff of 14 years, although the law thinks it is 20. Otherwise, for a first offence of an aggravated nature eight years could be imposed. For aggravated offences of burglary, a first offence attracts a tariff of four to six years, and for burglary without aggravating circumstances, a second or subsequent offence will attract a tariff of three to four years.

And so they we went on handling stolen goods, thefts, traffic offences, driving while intoxicated.

The object of setting and announcing the tariffs for sentencing is not, they say, to set measures which are cast in stone but to advise everyone of what the guidelines and likely consequences will be.

As I said, you have to become very tough. There needs to be some life sentences here, and I know you will get the comment, *'Oh, you are only filling up Northward.'* Fill it up and fill it up again! Work them hard. That is what I believe.

Madam Speaker, I am very aggravated and somewhat befuddled because of what I see happening in these Islands, recognising that we cannot do anymore than ask that something with more impact be put in place. I do believe that this all-out crime wave will only be stopped if we bring in a paramilitary group of some kind to effectively assist the police in dealing with it. As I understand, the police know who the hardened ones are. However, they do not have the evidence.

Deal with it, Madam Speaker! I will give them my support, such as the Opposition can give. There is no use pointing any fingers. I plead with parents, friends, and neighbours: If you know you have seen something, find somebody that you can confide in if

you do not want to go to the police. Get to a justice of the peace. Get to somebody that you can confide in and give them the information. Outside of that, unless the police have the information all we do, all we spend, all we buy will be for naught.

I plead with those who know they are doing wrong to consider the needless taking of lives. How many young people have you seen killing one another? Some of them were accidents. The Island is too small; life is too brief for all of this. They all have children, some of them have grandchildren. Let us make the Cayman Islands the best place to be.

Madam Speaker, I refer to this issue of Jamaica again. The day they buried Sangster in 1967 I was 12 years old and on my first trip to Jamaica. There was a corner store and that night after the funeral we had left Windward Road, I believe it was. We were walking up the left side of the street and we met a couple coming down. Do you know what they did? They went on the other side of the street. It was not a well-lit place. They walked on the other side. Do you think you could do that today?

Let us beware, and I do not care which Governor, which Foreign Office, whoever, we should take steps here and carry it out.

Madam Speaker I thank you, and I thank Members for their indulgence. I do not think that we can do any more.

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

The Honourable Minister responsible for Communications, Works & Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

I rise to make my contribution to the amendment of the Firearms Law before this honourable House. While I know I cannot refer to anything coming before the House that is anticipated, I will talk in broad terms about the state of the country and, in particular, what has transpired over the last few months in this beloved place we call home.

I share the concern of the Leader of the Opposition about the direction this country is going in. It is unfortunate that we have to come to this honourable House to outlaw things such as bullet-proof vests.

As I recall, just after being elected to this honourable House in November 2000, [during] the first Finance Committee meeting that I attended (which was in December), the then Second Elected Member for Bodden Town and I moved a motion for police to have bullet-proof vests. The irony of that today is that the criminals have more bullet-proof vests than the police officers in this country, and they are using them in the commission of serious crimes to protect themselves. Today I am going to go on record and tell these little thugs that this country is not going to go to its knees because of them. Not on my watch.

The criminals in this country have guns as powerful as the police have. Hopefully, this amend-

ment will assist in letting them know that anyone who is found with an illegal, unlicensed gun is going to prison. They will go to prison and they will serve a long time, albeit (like the Leader of the Opposition said) it may be a palace up there. But they are going to prison.

Over the last few months in particular, we have seen an increase in serious crimes against individuals. And we really know who they are. It is a handful of little punks in this country.

For the very first time in [my] 49 years in this country, I was extremely concerned recently. These young children—punks!—think that they are going to take this country and hold it ransom with a few guns. They must understand, like the Leader of the Opposition said, *thunder with thunder and fire with fire!*

My concern is not for my safety; my concern is for my family's safety and the safety of every resident in this country. For too long we paid lip service to crime in this country because we kept saying that they were killing each other. Too many of us have said that and have allowed it to escalate to the point where it is [affecting] innocent people. The time has come for us to stop it.

The might of the State must be recognised to be greater than any one individual or group of individuals. However, for the State to exercise that might, it must use the resources available to it. In our case that is the police force.

I am here to tell this country that maybe the mindset in this country needs to change because we are past the day when Mr. Radley (God bless his soul) was a police officer. The police officer in those days recognised that a kind word could resolve the problems in society—that [time] is over.

If we do not now support the police force, which is our last line of defence—the only line of defence in this country—and give them the necessary tools and training—which I have been calling for for the last five years (ever since I was elected)—to deal with this type of crime, this country is going to be lost.

You know, Madam Speaker, some of us tend to crucify and criticise the police officers in this country. I have always supported the police. We talk about how they do not solve crimes. However, the police cannot solve the crime alone. Yes they have a certain obligation to investigate to the fullest, but the residents of this country need to provide information too. Like the Leader of the Opposition said, *'You always go back to that old excuse that you can't trust the police officers'*. Why is that?

There are police officers in the police force that I have a personal relationship with, and I can trust them. I want the country to know that I give them information too. I trust them. Maybe it is a little different with me, but that has gone on for many years. We do not want the police officers to carry firearms. Madam Speaker, I am going to show this country that you are a police officer whether you are in uniform or out of uniform, whether you are awake or you are asleep.

Recently we had an incident at one of the establishments on the eastern side of this country where it was being robbed at gunpoint and a very young, competent police officer was in that establishment and he almost lost his life because he was recognised. I plead with this country to support the police, give [them] a chance to survive—not from me, not from the majority of this country, but from the criminal element in this country.

Why do we have to be afraid of the police wearing a gun? Not only is it for their protection, it is for our protection too. If he is a police officer and we cannot trust him, or we trust him with the gun on duty when the need arises, but we cannot trust him to take it home . . . So he must go after the criminal? We may as well send the police officers to Iraq with a Tamarind switch in their hands because we send them out there without a gun, without any means of protecting themselves, and then we expect them to solve the crimes.

I know that recently the police did a sting [operation] along West Bay Road with the [Drugs] Task Force. And the next morning the residents of this country were on the talk shows about showing force and what it is going to do to our tourism. Do you know what it is going to do to our tourism? It is going to enhance our tourism because we are showing people who come here that we will not tolerate the rubbish from these little thugs! That is what it will do.

We must stop talking about the police should not have this and the police should not have that. What we need to ensure is that every police officer in that uniform is proficient in firearm use. Whenever there is a need it is there.

I am not advocating a military State. I am not! But I want to feel safe too. These little thugs think they are going to come and get me because I am an elected representative and I legislate? Tell them to come on down!

This is ridiculous. It will not stop me from standing here and supporting legislation to put these people behind bars, whether they are in gangs or they are walking on the streets and molesting the residents of this country. They are walking into people's homes!

Madam Speaker, what we should really have in this country is what they have in some of the Mid-Eastern countries; they amputate your hand when you are found stealing. Then we would all know who the thieves are. The only problem with that is the State is then going to have to feed them.

Ever since being elected into this honourable House, I have brought this to the forefront; I have beseeched to have more patrols of our coastlines. That is where we are getting all of these illegal guns entering our country. The PPM Government, since coming into power, has made provision to do something about it. I am not pointing fingers at the previous government; we are all in this together. If we are on our knees, all of our knees are hurting. I have asked hundreds of times to ensure that my constituents and

yours, Madam Speaker . . . add more protection to the coastline.

We say a minimum of ten years. I believe that the amount of guns in this country could have been significantly reduced if over the years we had paid more attention to the coastline and illegal importation. It is all well and good . . . and I support putting minimum sentence in laws.

I think it was in 2001 when we had a spate of rapes in the country, and I think it was the now Third Elected Member for West Bay and I who were advocating minimum sentencing for rape. The former Attorney General went at me and refused to even listen to us about setting a minimum sentence. He said that we were going to tie the hands of the judges. Well, that's what I want to do! My job is to protect society. We need to tie someone's hands, and we need to make sure that these criminals are not given any way out.

They have a right to a defence. We need to ensure that when the defence lawyers go there they are only begging for mercy and that they have no grounds to fight on.

You know, Madam Speaker, we sentence these criminals and then we talk about them needing to be in the general population. We need to isolate them. Everyone knows that if they commit a crime they are going to pay, provided they are caught. Madam Speaker, do you think the criminal does not know when he is encroaching on civil society and the rights of others? Of course he knows! Even we old Members in here know when we are driving over the speed limit and we should not be doing it.

If you commit the crime you must be prepared to do the time, and that time must be set at a minimum. In the case of unlicensed firearms, it is 10 years and a maximum of 20. If it was left to me it would be 20 years, period! Of course, we have to show some flexibility and, as I understand it, give the judges some flexibility. Flexibility? What is the difference between 10 and 20? Give him 20! Give him a good tuck-out in Northward. Give him a good chance to reconsider his ways. By the time he sees light again he probably would not even have guns anywhere else in the world.

Why is it that this country has, what I like to call, such a sympathetic approach to crime? I know if the Leader of the Opposition thinks he is going to take licks, I am going to take even more than he will after my debate. However, Madam Speaker, a man has to do what a man has to do. Not once have I not faced up to my responsibilities. This is part of being elected a representative for this country and more so as a Minister. On this Minister's watch, I will not roll over and play dead. I may only be a Minister for four years, but I will be good and alive for those four years. I am going to face the issues with conviction regardless of what the outcome of my conviction is. I am prepared to face that.

For the last two months this country has been living in fear. I am on the street; I hear it. Many of us

have not even had the opportunity to visit our constituents the way we would like to for fear of a handful of little bad boys—because that is what they are. They are cowards! They enjoy protecting themselves behind bullet-proof vests and coming up behind people and putting ski masks on and preying on people weaker than themselves—women, children, the unarmed. The day they find somebody that is armed, they will be (in the words of my dearly departed friend Burley Berry) shocked with “surprisation”. And do you know what will happen, Madam Speaker? Have you ever seen a dog chasing a car and when the car stops he wonders what he will do with it? That is the day of reckoning for some of these little want-to-be criminals, you see? That is going to be the day.

I grew up in this country in East End, and it bothers me that I never had one fear (except for fist fights) wondering who was going to beat me next or who I would get to beat next. However, I grew up in a community where the village concept was alive and well. Unfortunately, we do not have that anymore; we are not each other's keepers anymore. I grew up in a family under a father who declared that there was no such thing as a bad child; it was all about bad parenting. He was not going to get caught up in it and he was not going to be called a bad parent, so I grew up under the corporal rule. It did me well. At the time I did not understand it. I understand it today, and I am sure my three brothers and three sisters understand it as well. Not one of us has been to prison.

I mention all that to say that we can blame as much as we want those who are criminals, it starts at home. I want us all to look at the ages of those who are visiting this criminal behaviour on us; they are not of our generation. They are younger and therefore our generation has failed in properly raising our children. We have failed because we do not, at this time, embrace the village concept. The almighty dollar has allowed us to go out, *every man for himself and God for us all*. However, if we were taking care of our neighbours' children as well as our own children they would not turn into criminals.

My parent's generation made sure that we were raised properly and understood right from wrong; but nowadays there are parents who will prosecute you or come to your yard and curse you out if you even talk to their children. They will go to the schools and do it. Madam Speaker, do you think the Minister of Education will not have some trouble on his hands soon with that too? Wait until we reach that subject!

Madam Speaker, I am here to tell this country that in the case of both of my boys I made it clear to their teachers, *'You don't ask me to be the first line of discipline for what he does in school and I won't ask you to be the first line of discipline for what he does at home. You may ask me to enhance the discipline from school, but I can't be the first line. If you can't keep my child in line for the time that you are entrusted with his care, then you are no teacher!'*

We must take this from a holistic perspective. The lack of good parenting is an integral part of the crime wave in this country. Madam Speaker, do you think my 12 year old is going to be on the street after 8 o'clock at night if I am not with him? He better not let me find him because that would mean he left through the window, and that window will be locked when he gets back. I will know when he comes in and he will not go back out again, trust me. If it is necessary for me to put my hand on my child, I am going to do it! The police can come; I have no problem with them. My child will have full access to every phone to call 911. However, when the police come, one thing will happen: my child will be leaving with the police but he will be leaving naked. He came to me in this world naked; he will be going to them naked too. He started with me; he now restarts with them and he must go the same way. I will not abuse my children, but certainly they must understand who the father is—your friend, but not your equal!

Too much of it is happening in my country, and my appeal is for parents to start taking control. How many times have we heard the parents of this country talk about how they have no control over their 11 year old? Well, my 13- and 21-year-old will tell you, *'Arden McLean is in charge.'* I may not be in charge for long, but I will be in charge for now. Until he becomes the age of majority, I am responsible for his care and I will stay in charge.

We allow our children to take control and then when they become criminals we talk about the school and teachers not giving them enough: *'The teachers are against my poor little child.'* Well, if the teachers have no opportunity to teach your child and you go to the school to curse the teacher out, the child will do what he sees his parents doing. It will not be on my watch.

My father has been gone since 2002, and I still fear him. I can still feel the strap on my back, and it is worse when I go visit him. Maybe more children in this country need that kind of discipline. We are now blaming them and sending the police to chase them when we should be chasing their parents. That is where we need to go. The next thing is we are going to have to bring amendments to this Legislative Assembly that will ensure that every time a juvenile goes to court the parents are there as well.

If you talk to the police, Madam Speaker, you will understand that the gangs of today were the kids of yesterday that the Social Services Department tried to send off to school five and ten years ago.

I was told by a high-ranking police officer that one of the greatest criminal minds in this country had, at the age of 11, his first offence. What was it for? It was for having nine guns in the ceiling of his house. Lord save me if there is one in the ceiling of my house because somebody is going to answer for where it came from. Someone has to answer.

We cannot go on like this. We need to take responsibility and understand the consequences of

the lack of responsibility. We are paying the dividends today for the lack of good parenting years ago. I make no excuses to anyone; everybody knows that I will say what I have to. If it hurts, so be it. It hurts me to say it, yet not as bad as it will hurt those for whom it is intended.

Who will protect the elderly? Who will protect the businesses in this country? Who will protect the children, in particular the female children, from these predators? It is unparliamentary for me to say what I would do with those predators of the young female children in this country, but I am sure that the rest of the country knows exactly what I would do with them. And it is not castration either; that is just the end of it!

Madam Speaker, we are all in this together. We have to protect our people. Our people—and in particular the females of our country—must have no fear that they will need to be escorted home when they work late at night, or if their better half is occupied that they will have to put that aside to escort them home. That is not the Caymanian way of life. We, as a Government, must do something about this.

I know every Member of the Opposition is on side with this because there is no time for any of us to rejoice in the fact that my side of the boat is leaking. *As soon as you start rejoicing she will stick up, but you are coming too!* It is past that. This situation must anger every law-abiding citizen in this country and we must do something about it.

**The Speaker:** Honourable Minister, is this a convenient point to take the afternoon break?

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

**The Speaker:** Proceedings will be suspended for 15 minutes.

**Proceedings suspended at 4.15 pm**

**Proceedings resumed at 4.35 pm**

**The Speaker:** Please be seated. Proceedings are resumed. It is my understanding that the Government would like to complete the Second Readings debate on all Bills this evening because of the nature of these Bills. It is the hour of interruption, so I call on the Honourable Leader of Government Business to move the suspension of Standing Order 10(2) so that Business can continue beyond the hour of 4.30.

The Honourable Leader of Government Business.

**Moment of Interruption**

**Suspension of Standing Order 10(2)**

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. I beg to move the suspension of Standing Order of 10(2) in order to complete the Second Readings of the nine Bills that are on the Order Paper.

**The Speaker:** The question is that Standing Order 10(2) be suspended in order that Business can be conducted beyond the hour of 4.30. All those in favour please say Aye. Those against No.

**Ayes.**

**The Speaker:** The Ayes have it. Standing Order 10(2) is accordingly suspended.

**Agreed. Standing Order 10(2) suspended in order to allow second reading debate to be concluded.**

**The Speaker:** Continuation of the debate on the Second Reading of The Firearms (Amendment) Bill, 2005. The Honourable Minister of Communications, Works & Infrastructure continuing his debate.

The Honourable Minister of Communications, Works & Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

When we took the afternoon adjournment I was talking about how we should all be angered as a result of what has transpired in this country with crime. Before I continue with that, Madam Speaker, I will just go back a little to further address the issue of police officers without the necessary means of protection for themselves and for the general populace.

During the break I learned that recently a police officer took chase of what he determined was someone breaking the law. I think it was a brave thing to do because after chasing this criminal for some time he was confronted when the criminal turned around with a gun in his hand. That is the nature of what is happening in our country.

These police officers enjoy what is called "police as a career". I say again, we send them out there with a Tamarind switch in their hand because the little staff that they have does not amount to much more. Is it any wonder why they do not put their lives in danger? We do not know what the criminals have. I believe that if a young man or woman is smart enough and dedicated enough to join the police force and go through the required training we should ensure that they stand a good chance of going home at the end of their shift. I will forever hold that view.

Many years ago we had an incident in East End and the residents were so angered by it that people like Mr. Will, Mr. Evanglyn, Miss Vernicia and I went to the then governor (I think it was Governor [Alan] Scott) about it and that was one of the issues that we brought up with him, to arm the police—but, of course, that fell on deaf ears.

I do not have a problem if we say that the police's firearm must be concealed. That is fine by me; I do not have a problem with that. At least they will have some way of protecting themselves and protecting law-abiding citizens.

The other issue I wish to briefly touch upon is the parenting issue. I read the autobiography of Ru-

dolph Giuliani, the Mayor of New York at the time of 9/11. It was interesting to note how he curbed the crime in New York during his tenure. It was reduced dramatically because he set up a system where the least little petty crime was recorded and they knew exactly where to target. He believed that petty crimes escalated into large criminal activity.

In reference to young boys, I cannot say that wearing one's trousers down across the knees with one's briefs up under one's arms is petty crime. However, too many parents—I and other honourable Members of this Chamber have seen it—allow their children out of their cars with their pants down across their knees and their boxers right under their armpit. I hope that I do not find one of my children with any boxers up underneath their armpit. That is encouraging it, you know.

You see the gangs and they have a bandana and these pedal-pusher pants that reach right below their knees so that they can show the colour of their boxers—show their colour, eh? It starts right there. Parents need to ensure that their children do not dress like that. I understand fashion, and my boys want their fashion as well, but I have never heard of showing boxers as fashion.

It starts there, and it is a behaviour they learn from these other would-be gang members. If they learn it then, it continues and then they become gang members. We need to stop that too, the same way the former Legislator, Miss Annie (bless her soul), always said the dress is the measure of the person. That is true in today's age.

Going on, Madam Speaker, to the area that I left off at when we took the break; we should all be angered by the behaviour that is currently considered somewhat the norm with the crime in this country.

There is a gentleman, I believe from the United Kingdom, who writes local commentary for the *Cayman Net News*. He calls himself "The Major" and he writes local commentary, entitling it "And Another Thing..."

I have "another thing" for him now too!

His name happens to be Mr. Steven Hall-Jones, a barrister and an attorney in the Cayman Islands. I do not know if he is making fun with these commentaries each week, but I can tell him this: it is a piece of irresponsible journalism, whether he likes that or not.

With your permission, Madam Speaker, I wish to draw to your attention what he wrote on 3rd October, 2005, a few days ago. He wrote, "**If you can't take the heat ..... [I will give him a little heat right now] Come on, Cabinet, get a grip. A couple of bungling villains make a complete cock-up of a raid on the Attorney General and suddenly the whole Cabinet wants 24/7 police protection. For heaven's sake! As if the RCIP isn't stretched enough. Instead of getting officers out on the street, much-needed police resources are now being used to baby-sit Ministers.**"

I believe Mr. Hall-Jones comes from the UK. I would like to ask him why he protects the Prime Minister in England. Before coming here I am sure he worked in the United Kingdom and he paid taxes to protect his Prime Minister. In the interest of Law and Order and the protection of the hierarchy in this country, or any country, you must use the resources of the country to protect it. We were not put here by Mr. Hall-Jones, we were put here by the people of this country to manage and govern this country.

What I like about Mr. Hall-Jones is the fact that he knows everything. God forbid! As I understand, this gentleman worked for the Attorney General's office as a prosecutor and then acting Solicitor General. Thank God he did not become the Attorney General in this country, nor did he become the Solicitor General! That would be a woe-be-gone to the Cayman Islands if he had! Yet, we had two in there at the same time that were not worth the salt you put in your pot!

This is what angers me!

He now claims to be one of us. He will come with his next article and it will have Arden McLean's name in it. If he thinks that I will not get up on this floor and go at him again, he has missed the boat! For his information—And Another Thing!—I will go at him at another time.

This is the height of irresponsibility. These are the type of people who mash this country up.

I quote again: **"I can assure every nervous Cabinet Member that I have faced a lot more buckshot in the line of duty than they ever will."** It does not look like this, according to him, because he is still around here. No, Madam Speaker, this is ridiculous unless he is shell-shocked from the buckshot that was shot at him.

[Laughter]

**Hon. V. Arden McLean:** No, Madam Speaker, this is my country and I will say what I want in my country. If I do not protect my country, Steven Hall-Jones will not, and I am not relying on him to protect this country. He must know his place, man!

**The Speaker:** Honourable Minister, just for the records, could you lay that section of the newspaper on the Table, please?

**Hon. V. Arden McLean:** Madam Speaker, if I had my way, I would buy one ugly shopping cart for the rest of the people of this country so they could see what this man is saying. However, I will lay it, Madam Speaker, as soon as I quote another little section from him.

He goes on to say: **"Did I demand that the world stop to protect my butt? [Obviously he got it in his butt, you see?] I got on with it and faced the risk. That's why I took Her Majesty's commission. They should do the same."**

Madam Speaker, do you see what he was doing?

He was running!

To get shot in your butt you have to be back-on to the shooter!

[Laughter]

**Hon. V. Arden McLean:** I was facing mine! And I am prepared to face them all!

This is what angers me, and I do apologise, Madam Speaker, because I do know that I am straying a little too far. I know that and I beg your indulgence, Madam Speaker, because people like this need to be put in their place.

This evening I will walk out of this honourable Chamber and get into my vehicle knowing that I have to take care of myself in this country, or anywhere else I go. However, it is people like Mr. Steven Hall-Jones who perpetuate problems in this country.

Lawyer? I am as much a lawyer as he is. At least he is not a reasoning lawyer with commonsense and who understands that the criminal is at large and every threat to the hierarchy of any country is a threat to the Rule of Law and society. He should be upholding it! He was a prosecutor! I will come to that in my Throne Speech.

The insensitive manner in which some people address this issue and talk about fear—of course people are fearful! Even Mr. Steven Hall-Jones is fearful; he was running! Fear will make you run. Even Christ knew when death was coming. I am no different. I am a human being, and so is the Honourable Second Official Member, the Attorney General. Yet, this man will write this kind of foolishness—rubbish!—in one of the leading newspapers in this country? If it were left to me, he would not see ink or paper again in his life. Tell him to write again because the Throne Speech is coming up next week.

I understand how we all feel, and I know the Leader of the Opposition spoke quite passionately about civil rights and that is what they are relying on. One of the things that we have to be very careful of in this upcoming Constitutional talks for a new modernised Constitution is to ensure that the people of this country are given every opportunity to legislate their own laws and to ensure that the best person to know what is best for us, is us, Madam Speaker. A Bill of Rights is good, but at some stage the moral issues of the society have to override some parts of the individual rights to freedom.

I may be mistaken and subject to correction, but I understand that the European Court recently ruled that prisoners even have the right to vote now. That is what we need to ensure, that the Europeans cannot enforce laws of that nature upon us. However, being an Overseas Territory it will be extremely difficult for us because that is England's international obligation which will fall upon them and we must fall in line. However, during our discussions we need to edu-

cate our people on what it will mean down the road if we do not ensure that we have the right to establish and legislate our own laws, and the Opposition needs to be a part of this. It will be a dark day in this country when prisoners are given the right to vote.

Can you imagine, Madam Speaker, legislating the law and one of those laws is to increase the time spent in prison before parole is possible, and then in four years' time the prisoners vote us out because we put the law in place? Now, you know something is wrong with that, Madam Speaker.

We are trying to protect the majority in the country. There are only approximately 200 prisoners in Northward Prison. There are 45,000 people in this country, or thereabouts. It does not take a rocket scientist to know that they are in the minority, but they can swing the pendulum that the Leader of the Opposition is talking about and every one of us will be gone because we had no business to legislate the laws? That is a serious matter and this must be a bipartisan approach. It takes a bipartisan approach to stop that kind of legislation in our country.

Once you have committed a crime against society it is the same society that put the legislators in place and said, *'Legislate laws to control us.'* We legislate the laws based on what we think society needs for its protection and on consultation and advice from society. Then the prisoners will move us? That is a serious state of affairs. I know they have more prisoners in Europe than we do and they will get removed much easier than we will.

I could go on, but I know there are a number of other Bills to be debated. I would love to deal with "And Another Thing..." however, there are other Members who will speak who I know are angered because of what is going on. They support this Bill and the other amending Bills to effect one part of the jigsaw puzzle in averting some of the crime in this country. Hence, I will wind up my contribution to allow the other Members their opportunity.

I appeal to all Members; however, I do not think I have to in this case. As I recall, the Second and Third Elected Members for West Bay brought motions just before we dissolved the House on crime and the likes. I am sure they will, but I hope they can find favour with the proposals the Government is putting forward. I hope they have some suggestions because no one has the full authority on this subject that we are dealing with. Lend us some support.

My real appeal is to the members of the country. Support the police regardless of how insignificant you may think the information you have is. The police are the ones who connect the pieces. Every little piece of the jigsaw puzzle is put together by them. Give it to the police. Somehow get that to the police. If there is a trusted police officer or someone in your family that you know will never call your name and you feel confident will never call your name, or on the 800-TIPS. If you feel you cannot do it to anyone, find someone you trust and give the police whatever it is.

Use the hotline. Feel free. Just understand that this country needs your help.

I know there are times when perhaps it is some of our loved ones creating chaos and it will be difficult to offer information. However, I want them to think seriously about that loved one of theirs committing a crime against one of their best friends, or another loved one becomes an innocent victim of that same loved one.

I know recently there were two masked men who went into East End and shot up the place. I hear reports on a weekly basis about some of these little thugs showing off by firing off their guns in the air in the East End. I hope they keep it away from me because if I see them I am calling the police.

We need to play our part and it is a serious part we must play; it is a serious responsibility we have. It is no longer someone else's doorstep—it is ours as well. The potential of our children, spouses, immediate or extended family getting hurt, or worse, getting killed, is there. If we do not take a stand and stamp it out once and for all, eventually it will happen. We need to take the time out to fulfil our responsibility. It is not only for the Legislators; there are only 15 of us, plus the three Official Members. We cannot do everything. It takes us, it takes the police, it takes every resident—every law abiding citizen in this country—to crack this case, so to speak. It is not insurmountable. We can.

To tell you the truth, Madam Speaker, if it was in the day of Hortor Rankin, they would lick them in the head with that baton and drag them off to jail, but those days are over. Yet, we need to help provide information and work along with the police officers and Members of the Legislative Assembly. If you are afraid to call the police force, every resident in this country has at least one Legislative Assembly Member's phone number. I am sure you can trust your Legislator. Call us in the middle of the night. We do not condone criminal behaviour. We have access to the police and to the hierarchy of this country and we will report it.

For all of those who hear my voice, please help your own country, please help yourself. This is your problem too; it is not only the Legislators' problem. We are but a little piece of it. It is our problem; each and every one of us is a stakeholder in this. If we do not arrest it, we will pay the dividends later on.

I commend and support the Bill before the Legislative Assembly.

Thank you, Madam Speaker.

**The Speaker:** Thank you. Would you hand [the article] to the Serjeant-at-Arms? Thank you.

Does any other Member wish to speak?

The Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Madam Speaker, I rise to support the Bill before the House to amend the Fire-

arms Law (1998 Revision), and impose restrictions in respect of the possession and use of bullet-proof vests, to make provision for the imposition of mandatory minimum penalties upon conviction for certain firearms offences and for incidental and collective purposes.

It is a pity that we have to stand here this afternoon and debate such a Bill under such trying circumstances because the country, as it were, for the last couple of months has been basically under siege by a group of what my colleague calls “young thugs”.

What we are seeing and experiencing in Cayman at this time is not something that has just suddenly come about. This has been festering for a long time in our community, and I guess we can say it has now reached a head. I wish to look a little deeper into what some of the reasons are behind such behaviour in our community because previous speakers have said a lot concerning what we are experiencing and what should be done.

We have to be careful in our community (and when I say “we” I mean all of us) with the way we conduct our lives, in particular, those of us in authority. What we could find is that the tolerance for accepting certain small illegal activities—breaking a little rule here and there—eventually adds up and people get a bit braver each time and go on. Then they see people in authority abusing power or, when we have (as we did in the previous administration) almost renegade Ministers doing as they please, breaking the law. It is as if, *‘Well, if they can do it, so can I. I can get away with it. No one can touch them so who is going to come at me?’*

We do not have a real deterrent in the form of our prison because we have heard that people go to prison and enjoy a lot of the freedoms they have on the outside; they call the shots when they go to prison. They make calls, they enjoy luxuries, they get their regular check-ups, their good meals, and they are treated nicely. So when someone decides to take on a life of crime, we need to ensure that these people know that there are consequences to their actions. Criminals need to fear society and not the other way around, which is what we have now and what obtains.

The Cayman Islands economy is based upon two pillars: tourism and finance. They are intertwined in many ways, are both extremely fickle, and can move at the drop of a hat. When we have our trade-shows and promotions for these Islands we have always been able to boast about our low crime rate. We cannot afford now to have that swing around and bite us. I am here to tell you, Madam Speaker, and all of the listening public that if we do not get a grip on this and make this go away as swiftly as it came, the Cayman Islands that we know and love and all live quite well off in will no longer be. Many people are potential investors, businesses, what we call “flight capital”—and they will fly away.

As I mentioned before, this problem has been festering. It has been said many times but bears re-

peating: when the issue of gangs first came up we had an administration that denied it. According to the Leader at the time there were no gangs in the schools; we had “groups”. Well, there is a difference between groups and gangs; there is a fundamental difference in the way that they behave and the leadership in gangs.

As the previous Speaker said, I too say that one of the fundamental problems we have is the lack of good parenting. When you do not have parental support or proper guidance, these gangs have the fodder they need to develop. Young people, who become rebellious and are looking for someone to latch on to for guidance and inspiration, end up looking to their gang leaders, and the gang leaders identify them and have them do their little menial tasks until they become full gang members. They use them, as it were, to prove they are able to fit in or for a hit or for some of the tasks that need doing to prove their mettle.

However, as my colleague, the Minister of Communications, Works & Infrastructure, said, these young men are really cowards. They are not going to come up to you one-on-one and act like that. They act behind the veil of a group—or a gang—and their leader’s instructions.

It started off at a very mild level and, unfortunately now, it has reached a point where we hear of assault weapons and bullet-proof vests being worn. It sounds as if in many cases they are better equipped than our own police service.

As I said at a police meeting in Bodden Town approximately three months ago, it is time for action. One of the worst things we can do is be in denial. We have a problem and we have to deal with it and this Government is prepared to deal with it. We have allocated the resources, some \$49 million I think it is, over the next three years to the Police Services. We believe in our police, and we support them. But we are asking for their best and their cooperation in working hard to banish corruption from their own ranks to ensure they gain public trust and confidence. Often, the reason that people will not go to the police is because they end up victimised for making that call. The criminal can confront them and say, *‘Oh, so you told the police about this, huh?’* The victim’s life is then under threat.

We have these problems and we must face up to them. There is no use standing here and saying that we do not and that all is well and good in our Police Services. Yes, we do have many hard-working, good and honest policemen, but we do have some who do not fit those criteria. I am happy to know we have a new Commissioner on the way. I hope and pray that a man of his age, background and capabilities will be able to bring the type of leadership and resources we need to sort this problem out here in Cayman.

As I have said before, when the police get involved the horse has already bolted. What we as a



community must do is find a way to ensure that we train our young people, bring them up and keep them away from criminal activity.

It goes back to the debate that we had earlier this morning on the entire issue of our education system and the roadmap that the Minister tabled for us to move education forward in this country. Again, one of the things which came out in that debate and at the Conference was that our young are people falling through the cracks. These are the same young people that are now being influenced by television and other external influences. I heard reference earlier to not blaming others. That is true; we have to bear our own blame. However, we cannot deny that we have a large, external influence here in the Cayman Islands and that influence is not always positive.

We must ensure that our education system will equip our young people, especially those who are not naturally academically gifted, those who come out with the 7 and 8 and 9 passes in their subjects. We have to be sure that our vocational studies talked about for so long in this country, in particular for our boys . . . we have problems in our community with young ladies, but they are a different set of problems. The problems that we are dealing with here today through this proposed Bill primarily deal with our young men.

It is safe to say that our young men fall behind dramatically in the school system and we must address this issue. These young men, more often than not, are quite capable of becoming contractors, electricians, plumbers, masons, carpenters and the like. However, because technical studies have been ignored in the past, we have rushed them through the education system, and at the end of the day they have not done well academically. They can barely read or write; they are natural failures if they make it to the end. Some do not graduate. These young men then look around and they want what they see their peers or you and I have, but they do not know how we got it. They go about it the cheap and easy way and that is usually in a life of crime, starting most likely with petty drugs whether it is use or pushing, and the next thing you know they are big leaders in their chosen profession. It is a very serious situation that we find ourselves in here in Cayman.

We have been blessed over the years with good commonsense and good people. If ever there was a time for the community to stand together for Government and Opposition to stand together, it is now. If we do not solve this problem, all the other things that we stand here to debate, legislate and take the time to worry about will be for naught. This can undermine everything that is good.

We have to implore that our Immigration Services, our border patrol in particular, is beefed up and that these people understand the importance of the job they are doing for this community. The truth is that the Cayman Islands do not manufacture guns or grow and cultivate the amount of drugs we see in our com-

munity; most things come to Cayman from somewhere else. If we can get the protection of our borders, that is, at the airport and around the Islands secure, and if we work hand-in-hand with our Customs, Immigration and Police Services, we will find that a lot of our problems will disappear. It is not an easy job by any means. It will take resources and commitment. We still have to make sure that our young people understand what it is to work for a living, to pay their dues in society and that things do not come easy. However, at least we will have an in-house problem that we can hopefully deal with through all of our other agencies and means at our disposal.

I appreciate it is not easy to mention anything that borders on censorship, but there is one thing that we as a public have to be cognisant of. My debate will not be long, but it is addressed the listening public—in particular the parents—to monitor what young people are doing. There is a channel on television called BET (Black Entertainment Television). I watch it sometimes when I am in the mood because I think I am at the point now where I will not follow anything I see there. However, BET for young kids is not necessarily the best thing in the world to watch. I have asked a number of young people who are on the right path what their views are and they feel the same way. They say BET has a negative influence on young people, minors in particular.

Like I said, no one wants to hear censorship or *'take away my freedom from doing this or that'*, but I think it is incumbent upon every parent to monitor and control what the children in their homes do. My children know they are banned from watching BET, and once I lay a rule down in my house that is the rule. They know that if they get in trouble at school or if they carry themselves in a certain way and I hear about it I will be onto them. I have been to the school on more than one occasion when I have been called if one of my sons has stepped out of line, and I have discussed it with the teachers. I certainly do not go in there and take the attitude *'How dare you challenge my son?'* and go in there ready to beat the teacher. I think these are the things that our society is encouraging.

It is always a big joke when you hear, *'Oh, these parents went down to the school and what they did so-and-so's teacher . . .'* because he said something to their child that they considered wrong. This is the kind of attitude that has to change. We have to respect authority in our community.

When the Rule of Law is no more and each one of us believes we can get up in the morning and feel free to do as we please and answer to no one, then our society has broken down. Unfortunately, we are no longer in the days 43 years ago when I grew up, that if you got in trouble you would probably get a good beating by whoever saw you and then you would go home and get another one from your parent. Those days are long gone. However, we certainly should still be teaching our children right from wrong. Unfortu-

nately, it is easier said than done because what we find in our society today is that children are having children and these children are not capable, they do not know the difference themselves. They do not know right from wrong and they are incapable of raising these children that they are having. Most times they turn the child over to be raised by either family or a foreign helper. Again, the guidance is lacking; those parents themselves need guidance.

You see, Madam Speaker, this is not a simple solution, although what we are doing here today in discussing this Bill and dealing with the other ones to follow is a necessary and integral part of what we as a government are here to legislate. This is important, yes, and I am glad that we are doing it and taking action swiftly and decisively. However, this is a community problem and we, as a community, have to face up to the reality that we must get our young people under control.

The people involved in the crime which permeates our society right now I venture to say are predominantly between the ages of probably 16 and 25. These are young people who should be under someone's guidance still; they should not be calling the shots, as it were, and firing their own shots as it is. Where are these young persons' parents and leaders? There are all sorts of programs in our society; we have NGOs working and Social Services clubs. All sorts of programmes; yet the system is failing.

I beseech the listening public and the Members of our Assembly to unite as a country to deal with this problem. Everyone has a role to play, and I know it is difficult. You say, *'Well, if you see them doing something out there speak to them.'* These days, if you speak to them there is a good chance they may pull at gun at you. People are reluctant to do that, but at least find, in your own way, a way to make a difference.

I do not have much else to add and I do not want to take up too much time because we have had some long debates, and a lot of good debate, and I do not wish to be repetitive. However, we have to get this problem under control and, therefore, I am very pleased to lend my support and I ask all honourable Members to do the same to the Bill before the House.

I thank you, Madam Speaker.

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

The Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker. I, too, give my support to the [amendment to the] Firearms Law (1998 Revision).

This recent escalation in crime scares all of us; No one has been excluded. The solution to the problem is not an easy one and it never will be. However, what I will say is that it does require a common-sense approach and a community effort. I am pleased

to see that a Bill like this is supported by the entire House; I expected nothing less.

I believe in the old saying that evil will prevail when good men sit and do nothing. This is a responsibility for each and every one of us; we are all affected.

Often, we tend to be insensitive to some of these things, we try to ignore them and believe they do not exist because we have not yet experienced all the happenings; it has always been happening to other people. Until it hits home, becomes very close to us or happens to one of us, a lot of times we do not understand what others have gone through. It is at that point that we then believe we must do something about it.

I will make an effort not to go over too much of what has already been covered, but I do say that one of the most important aspects of what is happening to our country right now lies within the family. We have criminals—drug pushers, drug users, and people involved in the sale of firearms and many other types of crimes—supporting their families with funds that are derived from those acts. Most of the families that benefit from these illegal activities know what is going on. They are cognisant that the person bringing in the funds does not have a regular job or any legitimate way of earning an income, so they must understand that those funds are coming from something illegal. Nevertheless, because it provides them with a decent or even half-decent living, they make the decision not to do anything about it, so we have this protection of criminals by family members. Until we get families to understand that what is keeping them alive is killing others, I do not know how fast we are going to change.

We require our citizens to understand that this must stop. Regardless of what it does for you; it is a crime against someone else and somewhere down the line somebody is going to do something to hurt you or cause you to lose a family member because of that same crime you encourage.

I must agree with the last speaker about the problem we have in our country with our young men. So many of them have gone astray and are continuing astray. For some reason we are not reaching our young men academically. Many of them are falling by the wayside. However, I also know of a lot of grown men who did not have a good education either, but they make a decent living for themselves; they applied themselves in other areas. Some of our most successful citizens have not done well in school but that should not keep them down; they apply themselves in other areas.

I know we talk about our young people now not fearing our police officers. I can remember, as a young man growing up, fear was our parents saying to us, *'I am going to make preacher or pastor so-and-so talk to you'*, and that was enough. If the preacher had to sit down and talk to you, you were in trouble, something was radically wrong. You did not have to get po-

lice involved in those days. Now, I may not be as old as that sounds, but I do have a good memory.

We always hear talk of not trusting police officers with information. I know that that causes us some problems. However, I think we make that into more of a problem than it really is. There are some issues and I will not try to deny that. In anything there is good and bad. I know of examples where it could be proven that a police officer passed on information about a tip that he got. I am aware that it happens but that is not the majority of our police officers. Most of them are forthright and do what they are supposed to do.

I offer a little bit of advice here. It is simple, but many people do this and do not even realise they are doing it. If you are going to pass information to a police officer about something you see going on, many people do so and then they tell somebody else they trust that they are passing information on to the police officer. Often it is not the officer or any police at all who gives [out the] information; it is that other person you confided in. It is confidential, you pass it on to the police officer or whoever, and you leave it there. Say nothing more. I trust our police officers, and as a nation we need to trust them.

We have a new Commissioner coming; he is bringing some special officers with him. We have many good police officers in our force right now, but I do not care how good they are because they are no use to us without intelligence. If they do not receive information from the general public, the police officers will not be where crimes are committed, criminals make sure of that. There is no other way for them to get the assistance except from the information passed on to them. Usually, someone sees something, hears something or knows something. There are people who make a joke of police officers coming around and asking for information. They tell them all sorts of stories and then they laugh about it. We need to get serious about this, Madam Speaker, and understand that we cannot encourage or assist criminals.

We have given the Police Department a tremendous amount of assistance since the May Election, assistance that has been long overdue. However, our average citizens play a much bigger role in the detection of crime. We also need to ensure that our Customs Department is well equipped and assisted where necessary because on many occasions the drugs and firearms come in ways that we may not even be able to imagine. The Customs Department needs our assistance and we must help them fight this battle as well.

I will not say very much about this, but with us encouraging people to come forward with information, many times information can be passed on and they can remain anonymous. There are times, however, that a witness has to go to court. We need a witness protection program; we do not have one right now. That is also very important. This comes into play with the more serious crimes. We need to do something about that.

Another little word of advice about passing on information: if you do not want to talk to someone, there are ways of providing information. I am not sure if this makes sense to everyone, but I recommend our many drop-off boxes situated all over the Island. We have mail drop-offs at the post offices where you drop off your payments to CUC and Cable & Wireless, and there are numerous bank deposit boxes all over as well. I believe that could be used as an avenue for citizens to pass information on to the Police. People use those facilities all the time for normal business purposes. I believe that if something needs to be done to protect that information, the letter could be labelled "Commissioner of Police" so that no one in any establishment opens it. I am not sure how that would work, but I am sure it could be done. That is an avenue we can use to help information reach the police.

Crimes against society must be punishable. When you violate the laws of your country, you make a decision to give up certain freedoms. Prison must be prison. You must understand that when you commit these crimes and you go to prison that you cannot expect to use cell phones and able to still direct the criminal activity of your group or gang. These things must be stopped. You give up the right to live like ordinary citizens. We must begin to treat prisoners like prisoners.

We also touched on the parenting issue and how parents must be held accountable. I cannot emphasize that enough. Our parents must be responsible for what their children do. I also mention our juvenile detention in that many of our juveniles who have to be locked up for whatever reason are many times exposed to the hardened criminals and they leave the system with the ability to create bigger crimes than when they went in. There are many elements to this and we need to look at it in its entirety and not patch up a few things here and there. This is a good start. There is a lot of work to be done.

I attended the anti-crime rally organised by the Chamber of Commerce a few evenings ago and I listened to the speakers. There was one thing one of the speakers said that just stuck with me, and I wish to conclude with the words spoken by Pastor Al Ebanks who said, "The time for action is now."

Thank you, Madam Speaker.

**The Speaker:** does any other Member wish to speak? The Honourable Minister responsible for Tourism.

**Hon. Charles E. Clifford:** Thank you very much, Madam Speaker.

I rise obviously to support the Bill for a law to amend the Firearms Law (1998 Revision). I commend the Honourable Second Official Member for his presentation of the Bill on behalf of the Government.

For the purposes of the debate I wish to divide my contribution into four sections: the history of the situation as it relates to crime and firearms offences;

the current-situation analysis; the reasons for the current situation and; the solution to the problem.

I am in somewhat of a unique position to debate this Bill as a former police officer, former police prosecutor in our courts office and now a legislator in this Legislative Assembly. I remember my early days in the Royal Cayman Islands Police Service. While I left the Police Service as the Chief Inspector in Police Administration, I spent the majority of my career serving with the Drugs Task Force and in the Criminal Investigation Department, as I think you know, Madam Speaker.

I remember in the early 1980s, in 1983, when the Misuse of Drugs Law at that time contained a provision whereby anyone convicted for the second offence—irrespective of the amount or type of drugs—would be sentenced to a minimum of two years' imprisonment. I can assure you, Madam Speaker, that during that time there was great fear in the hearts of many of those who chose to use ganja, because that was the primary issue at that time. The way the law read at that point was that ganja also included any other component of it, including a ganja seed. So if you went before the Courts and you were convicted for a second time, even if it was for one ganja seed you knew you were going to Northward for two years.

Some people may say that was too draconian, but that is their opinion. What I can say, Madam Speaker, is that it certainly was a deterrent at that time.

I remember as well when the Government at the time moved the amendment to the Misuse of Drugs Law to remove that provision so that it was no longer a mandatory prison sentence associated with possession or any other offence related to drugs.

I recall being involved in several operations with the police over the years, particularly the early 1980s. I remember, in particular, when we first started seeing the use and trafficking of cocaine in this country. I need to explain this, Madam Speaker, so that you and honourable Members will understand where I am coming from.

I remember doing an undercover operation in the mid-1980s at the old Holiday Inn, in which I and another police officer were concealed in a certain area of a room. It was one of these situations described as a "controlled delivery" where we were using an undercover police officer to purchase drugs. What surprised us was that the person who turned up to deliver the drugs to the room that evening was a 54-year-old Caymanian man. I stood with the other police officer concealed in an area in that room and listened to that older man talk about the amount of cocaine that they had available and how they could get it whenever they wanted it and could deliver it in whatever quantities were required.

Obviously at that point we did what we had to do; we emerged from that concealed area and made the arrest. Yet it went further than that. When we asked certain questions and discovered who had

dropped this individual at the Holiday Inn, we then proceeded to follow the path of that individual who was still on the property. We searched his vehicle and found another quantity of cocaine packaged in the same way. Primarily because of the discussion we heard that day, I said to my supervisors that we needed to talk to the government about this issue because it was better to nip it in the bud rather than allow it to get out of hand.

So the matter was taken to the government. We had a meeting at the Glass House and our concerns were simply dismissed at that time as, in fact, a one-off situation. Nothing more was done in terms of additional resources for law enforcement at that time.

Things certainly progressed beyond that and we saw more and more arrests in this country for cocaine and we saw firearms offences being committed.

We talk about whether or not the Royal Cayman Islands Police Service is in a position to do anything about the problem, and I believe they certainly are, but they must be properly resourced, equipped and funded—I know what it is like to be on the front line without proper equipment.

Even as far back as the early '80s, late '80s and early '90s, we had situations with firearms that we had to confront. We did not have things like bullet-proof vests in those days; most of us had service weapons that we could use only when we went on special operations.

I remember at 2 am one morning in your district, Madam Speaker (and you may remember this), we went to apprehend someone who had an outstanding warrant from the Court for some time. I recall going into that yard with two houses on it and having to simultaneously search those houses, but of course we had a large enough team to do that. We heard shots fired in the house next to where we were searching.

Two police officers were shot that morning at North Side. To be quite frank with you, the incident probably happened because the officers were a little too anxious when they arrived and went beyond where they should have gone at that point, but that is beside the point. The officers were anxious to do what had to be done and as a result, shots were fired.

One of the officers was shot in the leg and the other one was shot in the chest, from a reasonable distance with a shotgun. The point is that if the officer who was shot in the chest had a bullet-proof vest to wear, he would not have been injured. However, that was the nature of the job at the time and the police did not have the proper equipment. Up until this day, even though this Government has provided the funding to obtain the resources, the Royal Cayman Islands Police Service is still not equipped to the point they should be.

There are other incidents, such as a double murder one night. We apprehended the guy the next day after having to walk in that house and hearing a shot fired; he tried to take his own life.

Only someone who has been on the front line, only officers who are serving now in the Royal Cayman Islands Service can appreciate what it feels like to be in that situation. It is not a good feeling. I think that the majority of the officers who serve on the front line in the Royal Cayman Islands Police Service are brave officers. They understand, however, what they now face on the streets and it is difficult and unreasonable to expect those officers to feel comfortable about facing that problem unless they are properly equipped and resourced.

During our political campaign at one of our rallies we had in Red Bay, the focus of my speech that evening was the issue of crime. As the Third Elected Member for Bodden Town has said (and as I have said and I will say now), because we do not produce firearms or drugs in this country they have to be imported. We understand . . . and I said that night, that if we wait until they are imported into the country to address the issue on the ground, we are not going to be successful. If a 2,000 pound load of ganja comes into the country tonight and we do not stop it before it crosses our borders, we will be lucky to seize 50 pounds from it.

The issue of border patrol is one that we must have taken seriously. We have demonstrated that through the provision of funding and the plans for the Royal Cayman Islands Police Service. It is not only the Royal Cayman Islands Police Service; it is also the Customs Agency, the Port Authority and the Immigration Service that must also be resourced properly in order to address the situation.

Merely to conclude the issue on history, because of the neglect over the years by successive administrations, we are at a point now where it has gotten out of hand we must find innovative ways to address the issue.

Dealing with analysis (and I touched on that a bit earlier), the thought that up until this point we did not have in our Firearms Law any provision for minimum sentencing, the large majority of cases that would come before the court, the sentences that were handed down by the courts were, in my view, very lenient. I say that because even on a three-year sentence in relation to possession of unlicensed firearms, under the current system the offender, if he behaves himself in prison, is likely to be out of prison in 12 months or perhaps less than that. Offenders know this; they have been through the system so it is no deterrent for them.

During the campaign presentation at the rally in Red Bay when I was talking about the issue, I also mentioned the fact that we continued to promote our tourism and financial services as we must. However, if we did not address the issue of crime in this country, as my colleague the Minister of Education said earlier, then all of the money we spend on marketing our tourism and financial services would certainly be for naught. So we understand that very clearly. We promised during the campaign that we would address the

issue, and we have delivered on that promise. There is still work to be done, there is no question about that, but we as a Government have certainly provided the funding to the law enforcement agencies.

The reasons for this problem that we now face have several underlying issues associated with them, and I previously touched on one: lenient sentences handed down from the Courts. However, I remember very clearly, when I was a police prosecutor in the Courts' office, repeated requests, particularly from the magistrates, for minimum sentences. Magistrates and judges are sometimes faced with situations where they hear all sorts of pleas of extenuating circumstances and mitigation that often cause them to hand down sentences that are, perhaps, more lenient than they ought to be.

I also recall some years ago discussing minimum sentences with a legislator. We talked about the fact that the government at that time should have sought to implement a series of minimum sentences in relation to all our penal laws so that the message was sent loud and clear to those who would be disposed to criminal activity that they would certainly serve minimum sentences if convicted. The idea was not supported at that time by the government; but I am pleased to stand here today as a legislator to say to you, Madam Speaker, honourable Members of this House and to the general public, that this is one of a series of Bills debated in this honourable House that will include minimum sentences.

We have heard this referred to in other jurisdictions (such as the United States) as "three strikes and you are out". Now, the provision in our laws may not necessarily mirror what you find in the United States, but the amendments and changes to the law will be very similar in terms of the minimum sentences that we will be putting in place.

There are those who will say that history has shown that minimum sentences and the "three-strikes-and-you-are-out" policy do not necessarily work and there are some people that can be rehabilitated. We understand that, but these provisions are designed to address those offenders we know have refused to be rehabilitated. They have proven, time and time again, that they are not receptive to rehabilitation, and so in relation to that particular segment of the criminal population there must be a different approach. Those individuals must be removed from society.

To those who will say that this particular policy does not work, I say this: the Firearms Law will implement a 10 year minimum sentence, and perhaps in relation to some of the other amendments the minimum sentence will be longer. Offenders will cause no threat to society during those 10 years because they will not be eligible for parole. So for every offender who is sentenced under this provision the State need not worry about investigating that offender for another offence during that time.

Many people have asked, *'Where are all these guns coming from? How are they getting into*

*the country?* This is really no mystery when you consider the amount of drugs imported into the country. We have recently heard statements from the police that as many as seven or eight boats per month (I believe they said) come in undetected. I can tell you, again from experience, the same boats that are bringing in drugs are bringing the firearms along with them. There is really no need to wonder about that because we know how they are getting into the country; we also know that they are being smuggled in other ways.

I touched on the issue of neglect by successive administrations, which is the third ingredient of my debate, but we have also neglected to put in place technical and vocational training in this country. This comment is directly linked to the acknowledgment that we have home-grown criminals in this country and so they are partly responsible for the problem. However, they are not the only ones accountable. I know my colleague, the Minister of Education, will certainly put in place the necessary technical and vocational programs we need in this country, and he knows he has the backing of his colleagues in Cabinet and our Backbench supporters.

We also appreciate that there must be reforms to our immigration system and laws in order to address the issue of rising crime in the country. The problem cannot be addressed in a vacuum; it has to be a multi-agency [approach] across all government sectors, including and with the support of our private sector. We must as a country find solutions and work together.

Continuing with the reasons for the increase in crime, I said from the political platform during the campaign that I know all Members of this House including, and perhaps in particular the Opposition listened to every word I had to say. The Leader of the Opposition can mumble all he wants from across the floor, but he should know from experience that he will not scare me.

*[Inaudible comments]*

**The Speaker:** Keep the debate on the matter before us, please. Thank you.

**Hon. Charles E. Clifford:** Madam Speaker, I am glad he is in the Chamber because he needs to hear what I have to say next.

I said during the campaign—and I am going to repeat again—that we know from the reports of the Auditor General and from their own admissions the previous administration led by the current Leader of the Opposition was in several instances in breach of the laws of this country. When you consider those instances it seems like the government at that time certainly had the propensity to be in breach of the same laws that they enacted in this honourable House.

The Government must set the example for the country to follow. When you have a government that is not prepared to support and comply with the same

laws that they have passed to this honourable House, then that is a recipe for disaster because the government is then leading the country down the road to be a lawless country. I put the responsibility for that, Madam Speaker, squarely on the shoulders of the Honourable Leader of the Opposition. He was in charge of the government at the time.

What I am not going to do, because I recognise and I have said—

*[Inaudible interjections]*

**The Speaker:** Can we stop the cross-talk, please? It is late into the evening; everybody is tired and everybody wants to go home. Let us debate the issue.

*[Inaudible interjections]*

**The Speaker:** We are not debating running out of offices, so can we please stop the cross-talk? or I will adjourn this Parliament and the Government wants to finish their Bill.

The Honourable Minister of Tourism, would you please continue your debate?

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

**Hon. W. McKeever Bush:** On a point of order, Madam Speaker.

#### Point of Order

**The Speaker:** What is your point of order, Honourable Leader of the Opposition?

**Hon. W. McKeever Bush:** The point of order is, Madam Speaker, that the Member has said the Government, in other words, broke some laws and I would like for him to tell me which laws and who did. I want to find out, Madam Speaker; then I reserve my right under the orders.

**The Speaker:** Honourable Leader of the Opposition, if I understood the Minister of Tourism clearly, he said based on the Auditor General's report there were certain laws broken and that is what he was basing his argument on.

Honourable Minister of Tourism, is that the correct interpretation of your contribution?

**Hon. Charles E. Clifford:** Thank you, Madam Speaker. That is correct, that is exactly what I said.

**Hon. W. McKeever Bush:** Specifically, the Member is addressing which person broke the law and, in fact, he laid it squarely on my shoulders.

**The Speaker:** Honourable Minister of Tourism, it is my understanding it is the Auditor General's report

that has been delivered to honourable Members of this House. I can only assume it is the one on Housing where tendering was not done in such instances. Is that the Auditor General's report that you are referring to?

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

That is certainly one of the reports I am referring to. I know that the Leader of the Opposition is aware of many instances in which the previous administration failed to comply with the Central Tender's Committee procedures, and they are governed by laws. So the Honourable Leader of the Opposition is well aware of that.

I obviously do not have the reports here, Madam Speaker, but, certainly, if he would like me to compile a list I would certainly do that for him.

**Hon. W. McKeeva Bush:** Madam Speaker, I want to know which law that I was responsible for anybody breaking because that is how he changed that. Now you have helped him by drawing reference to one audit report which has not been completed. Remember that—has not been completed. The Member has laid it squarely on my shoulders and I want to know which law I made anybody break.

**The Speaker:** Honourable Minister of Tourism, the Honourable Leader of Opposition does have a point of order.

Can you say, because I think your words were that you laid it squarely on the Leader of the Opposition's shoulders? Could you please explain?

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

I certainly said that, and the reason I said it is because the current Leader of the Opposition was the Leader of Government Business at the time. He must take responsibility. He was in charge of his government and he must take responsibility for not only his actions but the actions of his ministers.

**The Speaker:** Honourable Minister of Tourism, would you please continue with your debate at this time and would you please steer clear of accusing or making accusations?

**Hon. Charles E. Clifford:** Thank you, Madam Speaker. I was actually going on to—

**Hon. W. McKeeva Bush:** Madam Speaker, on a point of order.

Madam Speaker, I have a right under the Standing Orders, and you know that, Madam Speaker. I reserve that right.

You have already directed the Member to move on. I reserve the right because I do not have a Constitutional ability to make any Minister do anything

except for one single vote, the same that the present Minister has in Cabinet.

**The Speaker:** Honourable Leader of the Opposition—

**Hon. W. McKeeva Bush:** And I reserve my right.

**The Speaker:** I understand clearly what you are saying.

Honourable Minister of Tourism, would you please continue with your debate and move on from this particular subject?

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

In fact, the Leader of the Opposition will like what I have to say next because I was going on to say that I was not going to blame the previous government entirely. In fact, during my earlier debate I outlined a number of reasons why we are at the point that we are at right now as it relates to the situation with crime in the country.

The Leader of the Opposition also said during his debate that the People's Progressive Movement (this current Government) does not have more resolve than his government had, or that any previous government had for that matter. I address that issue because the previous government had a full term in office and they did not address the issue. The Royal Cayman Islands Police continued to be under-funded and under-resourced.

I heard the Senior Command of the Police Service come into the Finance Committee and say that they did not need any more resources. I understood then, and I understand now, why that was said. However, based on my experience and my discussions with current police officers I know that that is not the case. The police service, as I said earlier, is under-funded and under-resourced up until this point when this Government has decided to put in place almost \$50 million in funding over the next four years to support the Royal Cayman Islands Police Service. A significant portion of that funding will go to border protection for these, our beloved Cayman Islands.

We have been in office just barely five months and we have clearly begun to deliver on the promises we made in our political campaign in terms of the funding that we have provided to the Police Service.

The review of our immigration laws and procedures is currently underway, as well as the several amendments to the various laws that will be debated before this House during this meeting. Clearly, we have delivered, and we continue to, because we understand how important it is to address this issue.

In conclusion, I make reference to another issue that we included in our manifesto and that is that we understood and we understand clearly that in order to properly address this issue that all of our strategies in relation to crime and improving policing must be properly integrated into the overall social

agenda. We understand as a Government, Madam Speaker, that just providing the resources to the police will not do the trick. We have other social problems that we must deal with, such as the technical and vocational training I mentioned earlier, and all of the other rehabilitation programs that we currently have in place. We can build on and improve [those] because there are certain people that we know can be rehabilitated. As a Government we have an obligation to make sure that they have available to them the best rehabilitation programs that we can offer.

I want to end with this warning.

I said this to His Excellency the Governor when we were talking about some issues recently: I reminded His Excellency that the current increase in violent crimes started under an English Commissioner of Police. I say that for this: the new Commissioner of Police, in my view based on what I know about him and what I have read about him, is a very capable and experienced officer. However, as my colleague the Fourth Elected Member from George Town said earlier, without the cooperation and information from the public of the Cayman Islands, Mr. Kernohan and his officers will simply be ineffective no matter how much experience they have.

So the country needs to understand that the responsibility for dealing with this problem is not only that of the Members of this House and the Royal Cayman Islands Police Service. The community at large has a responsibility to assist law enforcement, to report suspicious activities and to report and provide evidence to the Royal Cayman Islands Police Service. Without that, no matter how many laws we pass in this House, no matter how many experienced police officers we bring into the country, the results are not going to change.

With those few words, I commend this Bill to this honourable House.

I thank you, Madam Speaker.

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

The Second Elected Member for the district for West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

The Government is presenting to this House a series of legislative changes they dub their anti-crime policies, anti-crime assault, anti-crime measures.

You know, Madam Speaker, they say that imitation is the greatest form of flattery. Besides two, possibly three, of the current elected Members on the Government Bench, I can honestly and truly hold my hand to my heart and say that, certainly from their utterances in this Legislative Assembly, I believe they greatly underestimated what was happening in this country and did not until very recently see the light. I am glad they see the light now and have had a change of heart because I have been criticised in this honourable House for the very strong positions that I

have taken when it comes to safety and the welfare of the citizens of this country.

The Fourth Elected Member for West Bay and I, more than three years ago [moved] private members' motions, one of which resulted in a change as it related to statutory rape and other similar types of crimes. I can remember being criticised at the time for that.

I am glad to hear the current Third Elected Member for Bodden Town talking about the negative influences which stream into our living rooms every day on stations like BET. I can remember being greatly ridiculed when I was in my first year as a Member in this House, and I believe then as I believe now that we still miss the mark.

Foreign culture has had negative influences in Cayman. No doubt about that. Yet, I ask every Member of this House what they think is more available to a young person and a young mind—foreign influences, or the pop-culture that exists in the United States of America that comes over the airwaves on BET and other stations?

It comes over BET; you can get it on the Internet. What we have to clearly understand is that, ultimately, you cannot shield children from those types of influences because at the end of the day you cannot be with them 24 hours a day. They will have access to it over some medium. If you can get it on the Internet, in this day and age that basically means you can get it at any time.

I am glad to hear Members who have those sorts of genuine concerns because it tells me they understand the correlation. I have said many times in this House that everything affects everything. There is no single issue that we discuss in here that is not impacted by five, six, seven or eight other issues. So Members who have spoken are quite right when they tie crime and criminal behaviour to the education system.

When I see the proposed change, I see something that a lot of people are clamouring [about] and it seems to be making people start to feel good. I cannot wait for next week and I cannot wait for Finance Committee to start, and I am putting the Honourable Third Official Member on notice because I think he has something to do with who comes down here as witnesses. I do not want the new Commissioner coming here on his own; it will be unfair to him and us as Members of Finance Committee.

I, too, have a reasonable idea of what is going on in this country. That is one of the reasons why last year I moved Private Member's Motion No. 1/04 calling for a review of laws and policies to enhance the ability of the Royal Cayman Islands Police. While I was off at the Regional Conference of the Commonwealth Parliamentary Association, my colleague the Third Elected Member for West Bay moved (on my behalf) another [private] member's motion that also dealt with trying to enhance the capabilities of the Royal Cayman Islands Police Force. At the time I also



had another private member's motion in that called for certain increases in penalties for the Firearms Law.

Also, as everyone well knows, the Honourable Leader of the Opposition spoke on many occasions about his desires to have legislative changes to bring about a stiffer regime as it related to sentencing involving serious crimes and gun crimes.

It is easy for Members to now get up and say, 'Yes, well, you know, we now have the Bills before the House'. Just to refresh Members' minds, 12 months ago we did go through some very trying times; also Legislative drafting has to get Bills drafted, so I believe that the current Administration winds up in a very fortuitous position because a lot of what is here now was being pushed and requested for quite some time.

When I look back at some of what was said during the debate in regard to enhancing the ability of the Royal Cayman Islands Police, I see a lot of issues being brought up, some of which are still not being addressed. The Government has come reacting to a certain segment of criminal behaviour; one that (it is agreed) is alarming to all of us. However, we cannot forget that overall we have had an increase in many different types of crimes—grievous bodily harm. Gun crime is extremely serious, but what about all of the serious attacks on people with the use of a machete? That seems to be part II of the fad that exists in this country.

During that debate, I reminded Members of the House of how many times you see people who are not going to die of hard work riding around the streets with a machete stuck in the back of their bicycle. So I am glad to hear that they have taken that point on board as well.

Madam Speaker, I will tell you—and I am not bragging here—my colleagues and I have been a walking textbook on what to do when it comes to crime, and it is so good to see that the Government is following suit. Granted, we have had to drag a lot of them along grudgingly. You know, they have not come along willingly, but they now seem to see the light.

*[Inaudible comments]*

**Mr. Rolston M. Anglin:** Madam Speaker, we could not get everything done and the Member knows that.

*[Inaudible comments]*

**Mr. Rolston M. Anglin:** The Member well knows that.

Madam Speaker, it is getting late and tempers are getting a bit testy and Members are getting a little feisty, but that, too, is part of being a human being.

I have also double-checked the record just to refresh my memory as to how certain Members of the House viewed this whole issue of crime and punishment. I think it is fair to say that it may have been a little bit out of sync with what the reality was from the ground.

Indeed, looking at the *Hansard* of 28 July 2004 I see that my good friend, the Minister of Education, claimed he spent a lot of time socially with police officers over the course of many years. He went on to say that he generally had a feel for how the rank and file within the police force are feeling about their job and situation. His assessment at that point was that generally the police are happy with the way things are going and with the legislation they have which enables them to carry out their duties . . . because, of course, that motion was seeking to assist.

**The Speaker:** Honourable Member, can you quote the *Hansard* that you are—

**Mr. Rolston M. Anglin:** Certainly, Madam Speaker. On 28<sup>th</sup> July the Honourable Minister said, and I quote: **"I have spent a lot of time with police officers socially over the course of many years and I do it quite often, so I generally have a feel for how the rank and file within the police force are feeling about their job and the situations in the Islands generally. My assessment is that at this point the police are generally happy with the way things are going and with the legislation they have, which enables them to carry out their duties."**

One short error though, Madam Speaker. I go on to quote: **"We have to balance in this country like everywhere else, the rights of the individual and be careful that we do not create situations whereby people start to believe that perhaps this is the beginning of the a police state and the police have too much power, that they are oppressive and not friends of the people."** [2004 *Official Hansard Report*, page 264]

While in general terms, no Member of this House would want the situation to deteriorate to that state. I believe that all of us would agree that at the end of the day we have to ensure or try as best as possible to ensure the safety and welfare of our citizens, of the tourists who travel here. Without personal safety what do we have? Nothing. Everything hinges upon personal safety. The Minister's tourism policy and drive to get the visitors here hinges upon safety. The financial services industry hinges upon the safety that we have enjoyed in the Cayman Islands.

*[Inaudible comments]*

**The Speaker:** Honourable Members, please, this is the last time I am going to ask you to stop the cross-talk so that the person speaking can continue his debate. It is getting late; there are another eight Bills to go through the Second Reading of, so please.

The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, the Honourable Minister of Education went on to say on that same day: **"I know firsthand that any Judiciary**

deeply resents that sort of encroachment on the exercise of their discretion and their judgment.”

In fact, let me go back up. “I hear talk about the need for the Legislature to increase sentences in relation to certain offences and essentially to tie the hands of the Judiciary because he who sits here in this Honourable House know better than the judges what sentences should be given for certain offences. I know firsthand that any Judiciary deeply resents that sort of encroachment on the exercise of their discretion and their judgment. As far as the Police are concerned often we are far too critical and too willing to say what ought to happen. The Second Elected Member for West Bay spoke about the question on whether or not someone should be breathalysed following a serious car accident. He suggested in his debate that ought to be a matter of Law. That again removes any exercise of judgment or discretion on the part of the Police.” [ibid, page 265]

That was referring back to another point that I had made in a prior debate. As I mentioned, I brought three private members’ motions; I was not present for the second and my colleague the Third Elected Member for West Bay moved that for me, but I moved the first one.

So you see, Madam Speaker, right there in the history books of the House the honourable Minister of Education was again a little bit behind the eight ball and so we had to nudge him this way. I am glad now to see that he is a Member of Cabinet who is doing exactly what he said should not be done, did not need to be done.

Just to refer back to one point he raised in regard to fault serious car accidents. Someone mentioned earlier *‘he who feels it knows it’*. My family and I went through what no family wishes to go through when my oldest brother died, and it was reported to us that the woman who had caused the accident was drinking.

What we have before us, from the sound of it, is not necessarily what some Members of the Government Bench deeply believe, but it certainly is a position that we on the Opposition have advocated; it is a position that we support because it is a step in the right direction. Let us not kid ourselves. Increasing penalties without a lot of work in other areas, some of which I will touch on, is not going to necessarily stem the tide of violent crime.

**The Speaker:** Honourable Member, before you start touching on those other points, I understand there is some food in the dining room for Members so proceedings will be suspended for 20 minutes.

**Proceedings suspended at 6.50 pm**

**Proceedings resumed at 7.15 pm**

**The Speaker:** Please be seated.

Proceedings are resumed. Debate on the Second Reading of the Firearms (Amendment) Bill, 2005 continues. The Second Elected Member for the district of West Bay continuing his debate.

The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

This amended Bill is one that deserves support from the Members of this House. It is a move in the right direction in regard to crime and punishment for serious crimes. As the Honourable Leader of the Opposition said today and many times, the ultimate threat that penalty had is now removed because the United Kingdom saw fit to get rid of the death penalty and insisted that Cayman and Her other territories do the same.

It is interesting to note an article by Adam Liptak in *The New York Times* on Sunday 2<sup>nd</sup> October [2005]. It was carried by *The New York Times* and many other newspapers, including the *International Herald Tribune*. The article looked in some depth at this whole issue of life imprisonment and tougher sentencing on crime in general in the United States of America. As is correctly pointed out in this article, increasingly in the United States life means life. When advocates of the death penalty were in the majority, life imprisonment typically meant, the author’s research found, somewhere between 10 and 15 years. The lobby against the death penalty gained a lot of strength in recent years because of the advent of DNA technology which freed a number of prisoners who were involved in high profile rapes and murder cases and were found to be innocent. It caused a lot of conservative thinkers to reassess their position as it related to the death penalty.

What his research found was that a lot of people have satisfied themselves by saying that life imprisonment is the equivalent of the death penalty; it means you will die in prison but you will not die by lethal injection or by electrocution. That shift stopped one case in Harrisburg, Pennsylvania, where a young man by the name of Jackie Lee Thompson (who was 15 and living in a foster home at the time), was told a lie by his foster sister. He and one of his foster brothers were out hunting rabbits and in the anger of the moment, he killed her. The judge, in passing sentence, predicted that he would be out in 15 to 20 years. This was in 1969. To this day he has not been able to get paroled despite the fact that he is a model prisoner with an Associate’s degree; he is now a plumber and an electrician. He even had a family who was going to accept him into their home to transition him to independence. He had a job lined up. However, the Parole Board in Pennsylvania requires a unanimous vote to get parole and there was one dissenting voice.

We find, not just in this article but in a number of other articles I have read on this topic of crime and punishment, that typically in general terms countries

which are more free-market oriented or capitalist in nature tend to have a strong, conservative voice. Their view on crime and punishment is typically a lot harsher than many of the European countries that are more socialist in nature. In most States in Europe, including the United Kingdom, generally speaking, 10 years is what they see as life imprisonment. This 10-year minimum, by those standards, would be harsh; however, we are not that type of society.

We are a more capitalist, conservative society. I do not believe that there will be many dissenting voices against this and some of the other amendments to come. In fact, it may be the opposite. We may find that there are some people in society who believe that for certain crimes the maximum penalty available should be life imprisonment versus a fixed term such as 20 years.

Who causes the most damage? The person who, in a fit of anger and rage, kills someone? We all know that a lot of murder cases involve people who know each other. Do they do more damage to society than drug pushers who destroy so many children because their parents are on drugs and engage in other forms of addictive behaviour?

I think it might be revealing to see the results of a study done into the backgrounds and family history of some of the people we have problems with. No, it is not confined to people whose parents have certain issues like drug abuse and so on; it can happen in any household. Certainly, I am of the firm view that a lot of the issues are coming out of households that are very dysfunctional and chemical dependency is the root cause of a lot of the dysfunction in those homes.

When my good friend, the Minister of Infrastructure, was making his contribution and looking at the whole issue of discipline in the home, he also touched on this [article by] with Mr. Stephen Hall-Jones, which is on page 7 of the 3<sup>rd</sup> October [2005] issue of *Cayman Net News*. However, on page 6 there are Letters to the Editor, one entitled "Spanking does no good for children or society" And right below it [another letter] "You are creating an enemy by beating your child. I can remember a couple of weeks ago reading another article in the *Caymanian Compass* dealing with the view of a local journalist speaking out vigorously against spanking. That gentleman is not a native-born Caymanian. I do not know who these two people are.

When we look at the influence of other cultures what we have to understand is that Caymanians had a way of doing things. We had a way of raising our children. I find it greatly offensive when people from outside of this country come with their own view and they are so irresponsible that they do not at least also put forward the other side when they advocate such strong positions on serious issues. I do not make excuses for parents in Cayman, but the reality is they were born and raised a certain way, and now there are people from the outside who claim to know better.

They come in and say, 'Oh, no, Native, you do not know what you are doing. Here is all the research which proves what you are doing is wrong.' Yet they do not also say that there is another side. There are researchers who disagree with the findings they put forward to support their claims.

You see, Madam Speaker, when people put forward those views, a lot of times that is a conscious view that they are taking and they have prepared themselves to raise their children in an alternative way. What happens when you have Caymanians who are then left saying, 'Well, what do I do? How should I raise my child?' Spanking is wrong is what a lot of people say in the world today.

I hid out of school once in my life. I was on my way to the John A. Cumber Primary School and I decided to follow the crowd. We decided that instead of going to school we were going to hide in the bush. A few of us had lunch so we shared that and we hunted for birds. Well, one of the children's uncles caught on to what was happening, so he told my mother. My mother has only beaten me once in my life, and I can tell you, Madam Speaker, it had an impact. She spanked me other times, but I am talking about what I call a proper beating. I never hid out of school again. That thought never crossed my mind ever again.

So people have to clearly understand that, yes, if you are trained and your mindset is trained and you have prepared yourself that all you are going to do is train your children with "positive outcomes" (is the big phrase), that is fine. However, most Caymanians have not been raised that way. Most Caymanians have been raised on the basis that if you do something bad, something bad will happen to you, which is the opposite approach.

I do not make excuses for Caymanian parents, but this world has a lot of confusing messages. You would be surprised how many times you can find that same message on the Internet, on TV—people pushing their agenda. Now, Cayman is no longer a small, closed society—the information flows in and parents are caught: 'What do I do? How is it that I raise my children?' The next thing you know you are hearing the complaints from a young parent talking about how they cannot control their 4, 5 and 6-year-old child.

Think about it, Madam Speaker. We think about it from the standpoint that we say, 'Wow, what is going to happen to that child?' Think about how defeated that parent feels. You are an adult and you now have a child. The child is 4, 5 and 6 years old and you are willing to tell other adults that you cannot control your child? That is a beaten adult.

We need to support the National Parenting Initiative (NPI) currently afoot in this country; our households need as much help as they can get. The family unit in Cayman is not under attack. In too many instances the family unit in Cayman is shaken at its very core. If a parent does not have in their own mind a strategy as to how it is they will pass on their value

system to their child and maintain order in their household, what can we possibly expect then of that child in society? To expect anything less of a dysfunctional young adult or young person would be expecting way too much.

It is such cliché these days, but society has been in such a rush to chase the almighty dollar. There is a college degree for everything under the sun. In some countries if you have a car accident, by law you now have to go to Drivers' Ed. We need to support the National Parenting Initiative because not one single one of us is a perfect parent. The common theme of these things is always that the parents who come out are not the ones we need to help and the ones who need the help are nowhere to be found. If we do not get to that point we are not going to solve the problems we see surfacing. It is impossible to solve them.

When I hear people say *'It takes a village to raise a child'* that is something that I thought disappeared in Caymanian society long ago. A friend of mine told me a story: His house had been so badly damaged by Hurricane Ivan that he had to move into an apartment. He struck a deal with the contractor working on his home for his staff to stay in his house as they repaired it. Their homes were damaged as well, but not as bad as his. It was a win-win for him and the contractor. He had security for his property because a lot of bad things were happening at that point and he lives in a very good area and the workers had a better place to stay. The quicker and better they had the house refurbished, the quicker and better they had a nice place to stay. So they worked well and they worked fast.

About two weeks into this process he went by his house and his neighbour approached him and said, *'I have seen some people coming and going and I have been concerned about it. Who are they?'* This is two weeks later. Now I know communications were somewhat difficult then, but I think we got up and running with at least cell service in relatively short order. Two weeks! Village? We need to come up with a better strategy because that one will not save the Cayman Islands and their families.

We continue to focus on big crimes. Big crimes grab the headlines, big crimes scare us; big crimes are what concern us. We must have a zero tolerance on crime, period! It does no good to focus on the attention-grabbing crimes like the murders and the armed robberies. If we do not send a clear message to every single person in this country that we have zero tolerance on crime, period, people will naturally graduate to more serious crime.

What stops people generally from committing a crime? The person will first say, *'What is the risk that I will get caught? Is that risk high or low?'* If the risk is low then they will probably go a little further in their thought process. The next thing they will say is, *'Okay, if I am caught what is the penalty?'* So if the risk of being caught in their minds is low and the penalty is

less than what they are willing to face they will more than likely commit the crime. My point is, if you have a zero tolerance on the big crimes but you start getting into that attitude of *'Oh, well, there are other crimes out there but they aren't really serious.'* Well, guess what, those little guys that you do not take serious are the guys that will graduate to the big crimes. That is a big part of what has happened in Cayman.

We had a crack epidemic, and the Minister of Tourism spoke about his experience in that area in this country in the 1980s. You can see, Madam Speaker, over the years the reactionary approaches that were implemented. I recall the urine test was the big thing; that was the saviour glossing up all of the statistics. All of a sudden we had hundreds of drug convictions. How difficult is it for the police to know who uses drugs, take them for a drug test and send them to Northward Prison?

Then, one of the most disturbing things I have heard is the whole issue of, *'Oh well... you know crack is really the serious crime. Ganja isn't that serious.'*

I had a trusting young man tell me he was caught with a certain quantity of marijuana but he was let go. The remark was, *'Oh, we thought you had rocks on you.'* So what is that young man now left to think? What is he left to do? If we do not stamp out the small crimes we will never stop the big crimes. I do not care what sentences you put in place, once you are on that track in your life where you are breaking the law you are not going to stop the big crimes.

I still believe, though, that men in our society either do not know or are merely in denial about how serious the situation we face is. People come up to you concerned, saying, *'Boy. You know, you guys have to do what you can to nip this thing in the bud.'*

When hit-men are going into the George Town Hospital . . . in my way of thinking we are well passed the bud. I do not think we have a big forest, but at a minimum we have a lot of trees. There is no bud to be nipped in Cayman; as I tell people, we missed the boat 10 or 15 years ago on "bud nipping days".

There was a point raised earlier by the Honourable Minister of Tourism that greatly concerns me. He acknowledged knowing about the Senior Command of the Royal Cayman Islands Police Force being asked whether they were properly resourced or were receiving support for whatever they requested of the government and answering that they had.

**Hon. W. McKeeva Bush:** He told that to a Member of the Cabinet?

**Mr. Rolston M. Anglin:** He said that he knows that what was said to our Finance Committee was not a true picture. We need to take those issues very seriously as Members of this Legislative Assembly.

*[Inaudible comment]*

**Mr. Rolston M. Anglin:** [*Addressing the Hon. Minister of Tourism*] You said you know why they said that?

I apologise, I have just been corrected. The Minister says that he knows why they said it.

Well, at the end of the day, that is an awfully serious state of affairs because this country depends on the Budget Process and the Finance Committee processes to work. If you do not have a cornerstone process like that working the way it needs to—which is, people coming before us being forthright, telling us what the situation is . . . and, Madam Speaker, I personally have no problem if there is an issue that is delicate and needs to be held *in camera* because it would jeopardise National Security (that is, the policing security and their strategies). Fine. I think all of us are big enough to understand that that could be a reality. But we must be told the truth!

If we are sitting here in this system blindly voting millions of dollars, telling the public '*We are here on your behalf and we are going to be vigorous in our duties. We are going to question and we are going to get to the bottom of things and we are going to make sure that we try and get value for money. We have a new system which is output and outcome driven.*' Madam Speaker, the whole system falls apart from what I have heard today, because I can tell you this is not one of the outcomes that I desire of Finance Committee.

I reiterate to the Honourable Third Official Member that he makes sure to get the right people down here when Finance Committee starts when it comes to the policing budget because this country needs to be told what the situation is, irrespective of whether anyone likes it or not.

Madam Speaker, I know it is getting late and I know my Honourable colleague, the Third Elected Member, needs to speak. Other Members are probably going to speak as well.

I say we are starting to move in the right direction.

One final point which I cannot miss is that during the debate on the Budget last year I said there are often debates among people as to what is the most critical area that a government should spend on. Some may say education, others may say health. I ask Honourable Members of this House and the wider listening public a very simple question: if you had one last dollar to spend on your child and the choices were to send him or her to school or to give him or her a vaccination to save his or her life, which would you spend the dollar on? I ask the same parent about that same dollar. Would they rather spend it on ensuring their child is safe?

Government does not have unlimited resources and there is always that friction and pull between competing needs. We have been talking about education now for a couple of days. Look at how many countries produce so many people who are well educated, but they cannot keep them in their own country because social decay has eroded the core of

their society and the people are so anxious to leave! You have some instances where that poor international reputation helps keep those educated people in those same countries because the nationality has such a bad reputation and they cannot go elsewhere.

The situation would be even worse and they would lose a lot and even those that they do manage to keep, there is a risk of losing many of them. However, generally speaking, because the reputation that those countries have, the larger countries where there are more opportunities, like the United States, have certain policies in place that do not allow those citizens to easily move into their countries.

This whole issue of crime and whether or not we are going to insist that the Royal Cayman Islands Police implement the necessary strategies to truly fight crime and are truly reflective of a zero tolerance on crime—because all of the elements have to be working together. You cannot have a government coming into this House and publicly saying, '*We have a zero tolerance on crime.*' You cannot have the Opposition saying, '*We have a zero tolerance on crime and here is how we can prove it. We can pass all these tough laws—so, judiciary, take note. Here are the tough laws that we are passing now. This is how we want crime to be dealt with.*' If the Royal Cayman Islands Police Force does not manage its resources and managing themselves and have policing strategies that do that as well, that support a zero tolerance approach, it all fails. Then you do not get the criminals you need to get to jail, so having all these tough pieces of legislation is one thing. But again I say to the Third Official Member we make sure—

**The Speaker:** I think he heard you.

**Mr. Rolston M. Anglin:** You think he heard, Madam Speaker?

Okay, yes. He nodded this time so I know my good friend has now heard because I want to know more than just little fluffy statements, little fluffy sound-bites from the Police about how all of this money the Government is now going to give them will help. I drive along this country and it is an oddity and a rarity to see a police car on the road! I wish some Members of the Government Bench would stop making excuses for the police.

It is a proven fact—Rudy Giuliani proved it in New York City—that police presence is one of the best crime fighting approaches you have. He proved it!

When I lived in that city and worked among the New Yorkers I was amazed at how many people did not like him personally, but they supported him. Do you know why, Madam Speaker? It was because he cleaned up Manhattan. He made Manhattan a safe place to live and work.

All of the carriages need to go in the same direction on this track.

I end off by saying that I am so glad that the Honourable Minister of Education has seen the Opposition's way of thinking on these issues. As I pointed out from the three quotes of the Honourable Minister, it is now obvious now . . . He is now a Member of the Executive. I see he is nodding, and I appreciate his moral support when I debate. I am so glad that he is now seeing the light and we are heading in the right direction when it comes to crime and punishment.

Madam Speaker, I eagerly await the debate by my honourable colleague, the Third Elected Member for West Bay.

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

The Second Elected Member for Cayman Brac and Little Cayman.

**Mr. Moses I. Kirkconnell:** Thank you, Madam Speaker. My few comments will not be long or controversial.

I rise to say a few words in relation to the Crime Bill. Most of the debate today has been centred on crime and experiences in Grand Cayman. I feel it would be prudent and I feel it incumbent upon me to talk a little bit about Cayman Brac and Little Cayman.

Cayman Brac and Little Cayman are said to be crime free. I agree that we do have a good standard in our community today. Yet, as I have listened today to the Members of this honourable House I realise we have much work to do if we are to make sure the status quo remains in our community. It is said a chain is only as strong as its weakest link. I view it as my job to make sure that Cayman Brac and Little Cayman are not the weakest link.

A short time after I was elected I was involved in a meeting with the enforcement branches in Cayman Brac. It was explained to us the risk of Cayman Brac and Little Cayman. We have approximately 55 miles of coastline which is unprotected and, for the most part, unpatrolled. It was explained to us that all enforcement agencies were understaffed; they lacked equipment and they had needs.

The enforcement branch to deal with protection we must strengthen in Cayman Brac and Little Cayman. When we have a problem in Cayman Brac and Little Cayman, a planned raid, so to speak, there are not enough offices to carry that out, they have to call Grand Cayman and ask for help to be sent from here. If there is more than they can handle as far as something landing on the coastline, again, they have to call Grand Cayman and wait for help to arrive.

Remember, the Police themselves in Grand Cayman cannot deal with the crime they have on a daily basis. Hence, the laws that we see introduced here today. Imagine what it is like when someone calls from Cayman Brac to ask for someone to be sent and there is no one to send.

In the meeting with the enforcement agencies the request was made for more full-time help for Cus-

toms and Immigration. I am pleased to say that those jobs are now included in the 2005/2006 Budget. Yet we are still short on police officers, and I ask that we not be forgotten.

It is a well-known fact that more money is available for enforcement. We have heard this today; we have seen it in the newspapers, we've heard it on the radio and talked about. The fact that the Bill in front of us shows that we are all here to deal with crime in a very serious way. The fact that we have to do this and spend this much money on enforcement, in my opinion, shows we have not spent enough money on prevention. This is why I believe the new approach must be that we are serious about enforcement and we are investing in prevention.

If you look at the sports programs in Cayman Brac and Little Cayman and you break them down on a yearly basis, and look at the men and women that participated at a young age with direction and mentors in those sports programs, you will see very solid community citizens. I am very pleased to say that the Sports Minister visited the Brac and has increased in this year's Budget the budget for sports which, in my opinion, is a huge part of prevention and goes hand-in-hand with the strategy to deal with crime. I have great confidence that the Sports Minister will continue his push in that direction for Cayman Brac and Little Cayman.

Cayman Brac and Little Cayman are many miles away and, again, I reiterate that when they call for help and Grand Cayman does not have the help to send they are out there by themselves. I say that Cayman Brac and Little Cayman must be included in the new enforcement assets that are being purchased—some of the boats, cars, more officers and other equipment and items I hope to be located in Cayman Brac and Little Cayman that they do not have to call and have them sent, that they will be there available.

My point in this contribution is, just because Cayman Brac and Little Cayman are now relatively crime free, we cannot sit back and do nothing. We have to be totally involved in making sure they continue to be the community and safe haven that we now.

In closing, I say again, we have very little crime in Cayman Brac and Little Cayman, but we have to work hard to keep it that way. I leave the thought that we must spend more on prevention as we spend more on enforcement. With those few words I close in support of this Bill.

Thank you, Madam Speaker.

**The Speaker:** Does any other Member wish to speak? The Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Thank you, Madam Speaker.

I also stand to give support to this very important Motion, a Bill for a law to amend the Firearms Law. Along with that (since I do not plan to speak on all the motions), I would also like to say that I support the other bills that will be coming up later on as well.

In my short contribution I will try to focus on what I have seen growing up, first of all, in the district of West Bay, and how the crime has escalated. A lot of the young people that I grew up with I only get to see now when I visit Northward, or I get to talk to them when they use their cell phones to call me from prison. It is really heavy on the heart to think back and realise how crime has continued to escalate.

I can remember when I was younger the crime of the day was when some of the young boys would get together and take cars for joyrides around Seven Mile Beach when tourists would leave the keys in the car. That was considered to be a serious crime at that time; then it escalated to the ganja; and then it went to cocaine and harder drugs.

As my colleague said earlier, I think we missed the boat when trying to stem those increases. Just last night I attended a meeting for the Young Parenting Program in West Bay and police officers who were there told us of situations they had to deal with in the not-so-distant past. One was getting a call from a parent who had an 8-year-old that she could not control, so she called the Police Department to come and assist her. That should be indicative as to the problem we have in our society.

Another example they gave was arriving at an apartment with no adults present; the oldest child there was 11. When they arrived at the building, the child ran out with a flaming towel in hand toward the police and told them that the friend lit the towel. That child was responsible enough to try to get the towel out of the apartment so that it would not catch fire. There were four other children there, the police were not sure who else was in the apartment building. Obviously they were quite alarmed. They tried to determine who the parents were, where they were and finally they reached the parents by phone to explain what had occurred and what could have occurred. Basically, the police officer was frustrated because the parent at the other end of the phone insisted that that could not have been what occurred because they know their children better than that. That is the kind of trouble and trials we have as a society that our police officers deal with on a daily basis.

My approach will be one that deals with how we got to that situation. When I was growing up my father was away at sea while my mother and grandmother were at home raising me. Now, what we have found is that in most instances both parents are at work. We also have the situation we referred to earlier on where we have stopped teachers from being able to discipline our children as well. It is clear that if there is no parent or teacher to provide discipline or guidance at home, it is obvious that the child will then grow up without any discipline.

While we now have the duty and task of meeting in this House and passing legislation which will allow for more serious punishment and penalties for the crime, the root cause of that problem is very deep.

The Minister of Education provided his blueprint earlier. I did not get an opportunity to speak at the time, but I knew that I would be able to later on. One of the issues that I have seen and experienced in the district of West Bay is truancy, where on any given day we can drive around the district and find many of our school aged children on their bicycles, riding around the district with no good reason for why they are not in school.

Another situation I was made aware of a few days ago was the fact that we get our young people graduating from school at 17, wanting to go to college but are told they cannot get a scholarship to go to community college until the age of 18. Thankfully, in that particular case they were able to speak to someone in the Department and it was all sorted out, but the initial case was that they were not allowed to go to school. Of course the parent had the concern, *'What am I going to do with my child for the next year when he is interested in furthering his education?'*

The other issue that really concerns me is the mixed messages which are sent on TV in most homes and even here in the Legislative Assembly—we see that we must be careful about the messages that we send.

With your permission, Madam Speaker, I would like to quote from 28<sup>th</sup> July 2004 *Hansard*, where the now Honourable Minister of Education in his contribution to the debate on a motion by my colleague, the Second Elected Member for West Bay, went on to say: **“We have to balance in this country like everywhere else, the rights of the individual and be careful that we do not create situations whereby people start to believe that perhaps this is the beginning of the a police state and the police have too much power, that they are oppressive and not friends of the people.”**

Today when I walk out of the building and I see four or five policemen, I see all indications that we are no longer concerned about giving that opinion or looking like a police state. He said, **“...circumstances will dictate how much liberty people have, how far the state is prepared to go to invade those fundamental rights to ensure the overall safety of the nation.”**

**“I acknowledge that but I do not think that we are at that stage in Cayman. I would really caution this Honourable House that when we are looking at the Laws and policies to bare in mind the importance of those principles; the sanctity of ones home and ones person that the Police have an important function and role to play but there ought to be certain triggers which are in place before anyone is open to indiscriminate search and seizure.”**

**“I believe that generally speaking the legislation that obtains in Cayman coupled with the Common Law do provide that necessary balance with the Court sitting as arbiter. I am not convinced by anything that the Second Elected Member for West Bay has said in saying that we are in grave risk of being overrun by the criminal element because the police do not have the necessary equipment or the supporting legislation to enable them to carry out their job properly.”** [2004 *Official Hansard Report* page 264]

That is the *Hansard* of 28<sup>th</sup> July 2004, by the now Honourable Minister of Education who, I can only assume, has “seen the light” and changed the position. If that was the case and if the country is now a better place because of that, then I feel that the job of the Government Backbench at that time was a job well done. I find it difficult that just a year ago the Minister felt that there was adequate legislation in place and that there was adequate resources given to the Police. Now I hear the blame being placed on what caused this to happen. I hear that the Government of the day did not do what they were supposed to do. I hear that the police did not have resources so we had to come along and save that and give them the resources. Yet only a few months ago that Honourable Minister stood in this House and made it clear that those things were adequate. Now, was that just politics?

That is why we have to be careful, Madam Speaker, because that is the mixed message we send. It is important that as responsible legislators we do not let politics take away from the responsibility that we have.

What we say now as the Opposition—and we made it clear at our swearing in, we would not be Opposition just for Opposition sake; we would support the Government when they need support. I am not sure how much of this I really need to refer to, but I will pick another part with your permission, Madam Speaker. It says, **“I hear talk about the need for the Legislature to increase sentences in relation to certain offences and essentially to tie the hands of the Judiciary because we who sit here in this Honourable House know better than the judges what sentences should be given for certain offences. I know first hand that any Judiciary deeply resents that sort of encroachment on the exercise of their discretion and their judgment.”** [ibid page 265]

Should I take this Bill as being an encroachment?

Now we are here saying that we have finally come to the point where we need legislation to increase that crime.

[Inaudible comments]

**The Speaker:** Honourable Members, please.

Third Elected Member for West Bay, please continue your debate.

**Mr. Cline A. Glidden, Jr.:** Madam Speaker, he went on to say, **“We have to understand that when we invest people with responsibility and authority they are not robots and if we want people to carry out jobs properly we have to give them the ability and support to make professional judgment in relations to matters otherwise we demean the office they hold, they believe that their views do not really matter in the exercise of what they are doing and they are bound to have less pride in the job that they carry out.”**

Madam Speaker, I am proud as well, but coming forward with some seven or eight pieces of legislation one year after this, what are we saying to the judiciary? Why, all of a sudden one year later, is that an important and good thing we are doing when only a few months ago we had to be careful that we did not send the wrong message?

**“I am alarmed that West Bay has been experiencing such a crime wave. I say that the Second Elected Member for West Bay and his colleagues ought not to have left the situation until now before action attempted to address these concerns. There are clearly fundamental issues at work in Cayman generally but specifically in West Bay which this Government seems to have been either unwilling or unable to properly address.”**

It says that **“Members of the Government might be persuaded that we need not create a police state in order to seek to address some of these growing problems in relation to crime in the Cayman Islands.”** [ibid page 265]

The *Hansards* are here, and I do not know if the honourable Member has his copy, but it is important that as legislators we do not send those types of mixed messages. We cannot get up here and say that the laws are adequate and the Police have their resources, then one year later say that we have to bring this whole rack of legislation because we are doing something about crime. We promised the people in our election campaign that we were going to be tough on crime, and so that is our solution; but a year ago it was not necessary. We talk about examples; what would a young person listening ascertain from that?

Various good points have been raised, and being one of the last speakers on this Motion I obviously run the risk of repetition. However, the point that really urged me to get up and speak was the point touched on by my colleague, the Second Elected Member for West Bay, when the Honourable Minister of Tourism made his statement.

I noticed that it was not a statement which included “in my opinion”. He said that the Police heads that came down here said they had adequate resources to do their job, but he knows that is not the case. He knows why they said that.



If we say that we cannot even trust our Police Department to come down here and tell us as legislators the truth, what chance do we have of any of this legislation making any difference? He basically sat there and told us that the Police came and sat down with Finance Committee and lied. They lied to us, the people who provide them with the funds. They misled the House and he says he knows the reason for doing that. That makes it real difficult for me to believe that passing this legislation will do anything to help with our crime problem.

I heard the reason why he did not say that is because they were afraid of somebody. Now, if they are afraid to come down here and tell us, how afraid are they of the criminals out on the streets? That is the excuse that was given, that they are scared to come here and tell the people who have to vote the money what they really need.

I fully agree with the point that was made. I sign on to the fact that police officers are trained to do their job and the people who sit in this Legislative Assembly cannot tell them how they should do their job. That is why if the Police come here and say to us that they need resources or they need a change in legislation or they need additional support, I trust that to be the case. I do not profess to be a policeman; I do not profess to have trained in that, so I have to trust them.

In that same fashion I have to trust them when they come here and say, *'We have what we need to do the job'*. If I am being told that fundamentally I cannot trust the police officers to come here and be honest with us as legislators then who gave the requests for the additional funds that I hear the new Government saying they are now committed to?

Is it the same police that they could not trust before?

How can we trust that their requests are now genuine? They are the same police officers who lied to us before and now it is said that—

**Hon. Charles E. Clifford:** Madam Speaker, on a Point of Order.

#### Point of Order

**The Speaker:** May I hear your point of Order?

**Hon. Charles E. Clifford:** The Member is misleading the House, Madam Speaker. I did not say that the police officers came here and lied, and I ask him to withdraw that.

**The Speaker:** Honourable Minister, would you repeat what you said?

**Hon. Charles E. Clifford:** What I said, Madam Speaker, was that the police officers came down here and said that they had sufficient resources. I went on to say that I had also spoken to operational police offi-

cers—other police officers—and I knew the situation to be different. That is not the same thing.

*[Inaudible comment]*

**The Speaker:** Third Elected Member for West Bay, could you continue with your debate? But move away from police officers lying, please.

**Mr. Cline A. Glidden, Jr.:** Madam Speaker, my only concern with that was just to make sure that we can trust the police officers to protect the wellbeing of all citizens of Cayman. I will move away from lying, but if they say something I expect to be able to accept that as truth.

Madam Speaker, I think it is clear, and I am happy to see that now all Members of the Legislative Assembly recognise the need and are more than willing to give support in whatever way is necessary to allow the police to do their job. We all recognise the difficulties that they have, we recognise the hard times that they are going through now, and my whole contribution to this was meant to ensure that whatever support we can give to the Police Department this is one of those times we need to be non-partisan and we need to speak with one voice so that the criminal element causing all this fear and scare in society knows that we are united.

Obviously, there will be many times where we disagree. I do not think that you will find the case anymore where the Opposition will oppose the Government when they seek increased laws or increased resources for the Police. I think we have gone past that, Madam Speaker, and for that I think we are all better off. However, the fear that we have anytime we get our constituents visiting now, is: *'What are you all going to do about the crime?'*

In many cases we have families affected, and sometimes the families come to us and say, *'I need you help me. I need you to give a reference for my son or daughter or whoever'*. You know, as politicians, Madam Speaker, you get into the position where sometimes the pendulum of popularity tempts you to do things that you know are not the right things to do. So I think we have reached the point now where we recognise that this situation cannot continue and that whatever it takes to make it right we are all committed to.

With those few remarks I give my support to this Bill as well as the other anti-crime Bills as well. Thank you.

**The Speaker:** Does any other Member wish to speak? The Honourable Minister of Health.

**Hon. Anthony S. Eden:** Thank you, Madam Speaker. I know the hour is late and I will not be too long. I rise to give my full support to this Bill and the other eight Bills that will follow.

The position these Islands are in today does not surprise me that much. I have been preaching for the last three terms that I have been in here (similar to what I have heard the Honourable Leader of the Opposition say) that we are too soft on crime; we are pussyfooting with these people!

Madam Speaker, please forgive my language. These are criminals that we are dealing with; they are not Sunday school or Sabbath school teachers or students. Until we get that through our heads we will not make a difference.

In my colleague's (the Minister of Education) defence,

*[Inaudible comments]*

**Hon. W. McKeeva Bush:** You know you can't defend him now!

**Hon. Anthony S. Eden:** I will say that circumstances alter cases—

**An Hon. Member:** Oye!

*[Inaudible comments]*

**Hon. Anthony S. Eden:** What transpired about three weeks ago, I think shook the holy hell out of all of us when one of our Cabinet Members could have possibly been assaulted or seriously harmed. We better learn and wake up.

We talk a lot, but the public must now take a stand. When I came to the meeting out here last Monday evening in front of the Court House (called by the Chamber of Commerce, Government and others), in the handful of people that turned up there, do you think any are really serious about crime in Cayman? No, Madam Speaker!

They just hope and wish—just as we have done in the past—that we can bury our heads in the sand and it will go away. It will not go away!

I have preached it before and I support 100 percent what the Leader of Opposition said, that when we did away with capital punishment—which we had no choice but to do—our society literally collapsed from within. You can go back and check the records. There were a handful of murderers prior to that. Go back and check it after the date, when our wonderful Mother Country did to us, what happened.

It is sad.

We saw an article in the paper a few days ago about the discipline of children. The Bible tells you “spare the rod and spoil the child.” That is what is happening in our society today. Let us get back to our God-given responsibility! He commands us in a way to raise those children and it is our responsibility to raise them in a manner, unlike what is happening today where you as a parent cannot even talk about disciplining your own child. Nonsense! I have two boys.

Thank God I rarely had to whip them, but if they needed it, they got it.

I will never forget my dear deceased father. He used to beat me if I cried, and he used to beat me for crying. You understand that logic? But, thank God, it made me a decent person.

Until we get back to those days we can create all the laws and whatever, it makes no difference. It has to go back to the family. We can bring in all the Police and make all the law we want. I have heard people in this very Legislative Assembly make excuses that some people have it so rough and so on. I was raised on cornmeal boiled on a kerosene lamp, but at least I was told by my parents what I had to do and we did the right thing.

I am proud of the people that we have in this Legislative Assembly today and the fact that they came from like parents. Our parents did not make an excuse. If we needed a whipping, we got it.

I sympathise with the Honourable Second Elected Member from Cayman Brac and I am glad that he mentioned the situation concerning Cayman Brac and Little Cayman. We need to keep our eye on that; we need to give them support wherever it is necessary. I remember in the past, especially concerning Little Cayman, where I am made to understand is an area where the cocaine is dumped, and whatever support we need to give them make sure they get their allowance out of the \$15 million that this Government has appropriated for it.

As we reflect back on many of the difficulties we have today, we know many of the inmates at Northward are there for two reasons, and most of them are simultaneous. For a vast majority of them it is drugs, and in order to satisfy that drug there is robbery and burglary.

Not in the next Budget to come, but in the one thereafter I will be asking this Legislative Assembly for more support for the National Drug Council; it will be raised to a very high priority. When I left the Ministry about five years ago, the National Drug Council, internationally the Cayman Islands National Drug Council was looked up to as an example for small territories and other countries to actually follow. Funding has been cut for whatever reason, and I am not here to accuse anyone. However, I feel confident that I have the support of this whole House and that we will deal with this.

It has to be demand reduction. Once again, we can get all the police votes and so on, but if we do not get it into the schools at an early level—and I will be working with the Minister of Education in this area to look at how he can include this in his wonderful education plan debated yesterday and this morning. There are some wonderful things that have come from the people, but these are areas that we must deal with if we are going to be serious with crime.

I commend this Bill to all Members and I beg the public that once everything is put in place that they work along with all parliamentarians in implementing

and doing the right thing to take these Islands back from that criminal element. I said to about 400 or 500 young people at a meeting last Saturday night, *'Let us take it back. We can do it.'* It can only be done if we work together.

Thank you, Madam Speaker.

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

The Honourable First Official Member.

**Hon. George A. McCarthy:** I rise to offer some comments on the Bills in front of us tonight. There is one that I will deal with, and that is the amendment to the Prisons Law.

Madam Speaker, it saddens me to know that we have come to a stage—

**The Speaker:** Honourable First Official Member, I just need to understand, you are not dealing with the Prison Bill?

**Hon. George A. McCarthy:** No, Madam Speaker, I am dealing with the Bill that is in front of us at this time.

**The Speaker:** Okay, please go ahead.

**Hon. George A. McCarthy:** Madam Speaker, it saddens me to know that this afternoon we are here talking with such passion about what has emerged in our society which amounts to a deviation from our way of life.

Madam Speaker, we have got nine Bills in front of us this afternoon, but (as I mentioned to you earlier) my remarks will be focused on the Bill that is now under debate.

Combined with the range of the Bills that we have in front of us, what I find encouraging at this point in time is the fact that there will be a study that will be commissioned by the Government through the office of the Honourable Attorney General or the Second Official Member. This study will focus on the causes of crime in the Cayman Islands.

There is no point pretending. I think everyone recognises at this point in time that we have a serious problem that we have got to address, and that is criminality within our society. This study will be conducted by one of our brightest minds in the region, and I am sure the findings will be very revealing. In fact, I believe it will have far-reaching implications for our society at large.

The Honourable Minister for planning made mention that we have to take a holistic approach in dealing with crime. It is not just a job for the schools or for the prisons, but will involve society at large starting with parents focusing on developing proper parenting skills.

There are certain things that we do not pay much attention to, but we look at the crimes which are

committed, and instead of often times focusing on the causes we get caught up with the symptoms. Many times I am on my way to work and I notice some of the children going to school with a big Pepsi bottle, Cornets, Cheetos and other things. Now, how can a child going into a learning institution grasp what is being shared with him or her for the day? There is no protein in those foods to activate the brain cells of this child so that child will be lethargic for the entire day.

We have one of the biggest traffic jams here in Cayman with some of the newest and fanciest cars. You can see children right out by Subway near the Cable & Wireless building in the evenings. In fact, it is almost as busy as out by the school district. These children are unattended.

I remember in my younger days if I had a little girlfriend I had to keep this a secret to myself or probably could only brag amongst my friends. I could not be barefaced enough to stand up to adults and disrespect them. However, now if you go out there it is almost a honeymooning session that you see in the afternoons.

I mention all of this to say that we have youngsters in our society who have come through schools in their adolescent years with minimum supervision. A lot of them have not had inculcated in them the values that we cherish as citizens within this community, and yet we expect that they should be acting in a responsible way. Yes, we have a right to that expectation.

There is one individual that is presently detained at Northward at this time. I was told it was thought by this individual's teacher that he had the potential to be a lawyer. He has a very brilliant mind, but I am told this individual grew up in an environment where there was so much hostility in the home that there was a partition in the house with one parent on one side and one parent on another. What we have here is a situation where this individual has come from a very hostile environment, so we cannot expect to change attitudes overnight.

While we cannot condone the type of deviant behaviour that flows from individuals such as this person and others, we have to look in terms of what we are going to do with these individuals when they are reintroduced to the larger society, notwithstanding the legislation that we are amending this afternoon. It means that everyone has to exercise a certain level of tolerance; everyone will have to be prepared to play his part.

I have been up to the prisons and I have seen youngsters up there, in fact, it looks like a kindergarten school! They are not embarrassed. They are not ashamed. They say, *'Hi, Mr. George'*. It is not a question of running to hide. This is not the case any more; these are individuals who have been put there. When they come back into the wider society, first of all, they have been stigmatised because of the fact that they have already been put in prison. There is a certain level of reluctance to offer them any form of employ-

ment. As a result of that, they revert to what they are comfortable with.

If they were put in prison for breaking into and stealing from a home, this is quite likely what they will go back to. It means that the entire society will have to look at what is happening here in terms of the criminal culture in our society and decide exactly what we are going to do in terms of what role we are going to play, and what role model we are going to be.

I take the view that we should not be timid in dealing with crime because at the end of the day an individual who offends the norms of society must recognise that there is a price to be paid in doing so. At the same time, when we have 200 people-plus sitting up in Northward Prison and Fairbanks, and we have youngsters who will be in the upcoming Eagle House, we have to realise that these are our resources— young men and women who have been incarcerated.

Although we have a right to be emotive, we have to recognise that focus will have to be on prevention, punishment, but, most importantly, rehabilitation.

It is said that Northward Prison is a five-star hotel. I would like to dissuade Honourable Members of this House from that notion because it is not so. You do not have the case where individuals are unduly or, say, harshly, penalised inside, but if you look at how the buildings have been configured the prison officers there, rather than spending most of their time on reform they have to be there trying to figure out what will happen next. You have one building here, another one there and it is not like what you see in terms of modern facilities where someone will have an overall view of what is happening in the environment. An investment must be made if we are going to reform these individuals and bring them back into society.

I do recognise that we have some individuals who will not be amenable to change, but this is a conscious choice that such persons make. I am sure this is a heartfelt passion of every member of this society, because when you go up to Northward and hear individuals calling you, *'Mr. This or Ms. That, how are you today?'* and they ask about relatives, you realise you are looking at individuals you know—you know their parents you know the homes they are from and you wonder what they are doing inside there.

The idea is that it will be very tough for all of us. It will not be an easy road ahead of us. We cannot be soft in terms of criminal activities and we cannot endorse that type of behaviour, but we have to turn our attention to what is happening at large within the society that is contributing to this.

I like to see individuals living an affluent lifestyle, but instead of parents building 5,500 square-foot homes and [buying] \$40,000 and \$50,000 cars, [they should] spend time and invest time and energy in their children. These children have been born into these families as a God-given right and they are a responsibility. Now wherever you go you find these big 50-inch flat screen televisions and often times there are those

individuals, like the Second Elected Member for West Bay has pointed out, with BET and what is on the Internet. Often times this is the parents.

My wife and I raised two daughters and they did not have a television or a computer in their bedroom. We could see exactly what was happening at any point in time. I say to parents that when your children have televisions with what is called "Dish Network" and computers in their bedrooms, take them out and put them where these things can be visible and under scrutiny by the parents. These are some of the things we must address.

I also say to individuals who have been offending the norms of society that they must recognise that although they have a right to free speech and action, they must be concerned about how their behaviour has an adverse impact on society at large. As one honourable Member mentioned earlier, some of them are parents. What type of influence do they exercise over the children they raise?

If the children see them sitting up in Northward or Fairbanks, that is quite likely where they themselves will end up. Madam Speaker, we do not want to have this.

Cayman has a very rich culture. All we need to do is sit and listen to the older folks, even persons within my age range, and they will tell you some harsh experiences they have had. For example, when I was 6 years old I used to live right on Goring Avenue in George Town and my mother worked on West Bay Road. Every day I went out on the waterfront and I would take my little sister along with me. It so happened that I was wearing a very nice pair of Dungaree Jeans when I went into the water.

In those days, you got these little planes found in, I believe, the Cracker Jacks boxes, and so I threw it out in the water and went for it. When I went back home I was so scared of getting a beating that I went to hide under the cellar and fell asleep. I woke up around midnight and rushed out. I did not know that my mother had the entire police force in George Town looking for me. I felt very good for the attention for the moment, but two or three weeks after that my sister and I found ourselves on a boat going to Jamaica. My mother sent us to relatives where in either direction you did not have water for 15 miles. As a result of that, I am one Caymanian who can only paddle—I cannot swim properly!

Life was not easy, but between the discipline that my mother inculcated within me and what took place while I was in Jamaica, I learned to respect the norms and values of society. As a result, I can pass that on to my children. However, it is not only my children alone: Every one of us here must recognise that our responsibility goes beyond our immediate family domain. We must be responsible and make ourselves responsible for every child within this society. When you look into the face of a youngster you must see your child there. We have to ban together in order to correct what has gone wrong in our society.

I am happy that certain measures are being pursued by the Government. It has been mentioned (and I want to correct this) that the Government will be spending \$47 million over the next three years. That \$47 million is an incremental expenditure. That is in addition to the normal annualised expenditure of over \$20 million. If we were to average out this \$47 million (which comes out to \$15 million where the Government will be spending \$22 million) the expenditure will be going up to about \$37 million.

This is the amount of money being put into maintaining law and order and correcting deviant behaviour in our society. The Government can only do its part in terms of our penal system or through the legislation we are addressing this afternoon. It is up to all facets of our society—the churches, the schools, most importantly the homes and everyone working together, in order to bring about this rehabilitation.

We really need to look at what we are going to do about the facilities at Northward. That is another area in which major expenditure will have to take place quite soon. Presently, Madam Speaker, they have the mentally challenged individuals locked away with the regular prisoners, and not too far away the young offenders. We have just a single prison, so to speak; we do not have it divided into a maximum security and general penitentiary.

Let us say we have an individual that has become quite deviant. He or she becomes an influence on other persons there for what you would call “ordinary offences”. Do we want to have that situation prevailing for long? I would suggest not. However, at the end of the day what we really need to do is look and commit to whatever is required to achieve reform and rehabilitation to minimise the recidivism rate. We need to look at this because, although we are offended by the behaviour of these people who are embarking on a life of crime, we have to realise that they are citizens within this community. We can lock them away, but it is very costly to put somebody in Northward or Fairbanks from, for example, age 18 realising this person will be committed to a life of criminal activities until he or she gets to 40 or 50 years of age.

If we sat and quantified how much it costs the taxpayers of this society to maintain such a person, we would see that it is very costly. It is important that we look at what is necessary to achieve modification of behaviour. I hear all Members of this honourable House saying ‘yes, we agree and we endorse that position entirely ... yes, we cannot be soft on crime, we have to achieve modification of behaviour ... we must turn our attention in this direction,’ it will be very costly.

Thank you, Madam Speaker.

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

The Fourth Elected Member for the district of West Bay.

**Capt. A. Eugene Ebanks:** Thank you, Madam Speaker. I rise to make this short contribution for the Bill before us.

There is not much I can say that has not already been said. However, Madam Speaker, if you will recall back in 2001, I brought a motion to amend the Penal Code because I felt then, as I feel now, that the penalties were too lenient and the law was not hard enough on the crimes being committed at that time. Needless to say, we did have some serious crime back then, but it has gotten a lot worse.

I give one hundred per cent support to this Bill and the additional eight anti-crime fighting Bills coming before us.

Thank you, Madam Speaker.

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

The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

Even before I say a word, there are comments being made for me to state my well-renowned position (certainly in Cabinet) on this.

As I listened to all honourable Members speak, the Honourable Second Official Member said that I would be under pressure to actually say something. Hence I am on my feet.

I took my pen out a few seconds ago and scribbled down some thoughts. What I decided to say in support of the Bill is “clean hands”—we must all come to the table with clean hands.

The public, who complain to the politicians about the level of crime and what the legislators are going to do it, they must have clean hands. As I said this morning, when their children, their family, whoever it is, gets in trouble they must not come to the politicians seeking their assistance for leniency, character references and so forth. They must accept wrong where wrong is the case.

Legislators, too, must have clean hands. They must not give the character references in instances where they know a wrong has been committed. We must all have clean hands.

The parents too must have clean hands.

It always amazes me, when I drive across most of the high schools in Grand Cayman in the morning, to see students getting out of their parents’ cars and stepping onto the pedestrian crossing—particularly at John Gray High School—with their trousers down to their knees. It amazes me. And the parents cannot say they are not aware of this.

One may say, ‘So what. What does the fact that they’ve got their trousers down to their knees mean?’ It is incremental. They see it on TV and they adopt one particular aspect; and then they go on to another particular aspect. They have earrings in their ears. Why is that necessary? It is incremental, Madam

Speaker and a creeping effect that eventually leads to bigger and worse things.

We must all have clean hands. I think we are attempting to make a difficult situation a little bit better by this Bill and the accompanying Bills to follow. I therefore support this Bill completely, but I am saddened that unfortunately we are not able to have the death penalty in Cayman.

*[Applause and inaudible comments]*

**Hon. G. Kenneth Jefferson:** Madam Speaker, I am saddened because I think that it is definitely the case that hardened individuals and hardened criminals must understand tough language and tough action. They do not believe in talk; they need to understand tough consequences to their actions. I am saddened that we do not have the death penalty in Cayman.

So with those few words I will sit down and say, once again, I do support the Bills 100 per cent.

Thank you.

**The Speaker:** Since there is no other Member left to speak; does the Honourable Second Official Member wish to exercise his right of reply?

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

The debate is spirited, is passionate and insightful. The message, in my view, is clear. It is a message of unanimity in our abhorrence. We can only hope that the message reaches the target audience. We are hoping that we get the right resonance.

The hour is late; I would not seek to deal with all of the various issues raised during the debate. Suffice it to say that I would undertake to the honourable Members that all of the suggestions are, in fact, taken on board.

So I wish to thank all the honourable Members for their very passionate and very insightful debate on this Bill and we hope, as I said, that it will reach the target audience.

Thank you.

**The Speaker:** The question is that the Firearms (Amendment) Bill, 2005, be given a second reading.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Firearms (Amendment) Bill, 2005, has been given a second reading.

**Agreed. The Firearms (Amendment) Bill, 2005, given a second reading.**

**The Speaker:** Before the Honourable Second Official Member stands to introduce this Bill, I have to say to

the House I have given wide latitude on the debate on the Firearms (Amendment) Bill. We have covered prisons, bail, Court of Appeal, criminal procedure, evidence, Information and Communication Technology, we have covered police and prison.

I will stand very firmly on Standing Order 48(1). The Member moving the second reading of a Bill shall state the object of the Bill and reasons for its introduction. When a motion for the second reading of a Bill has been made and seconded there may be a debate on the general merits and principles of the Bill, because all these Bills have been covered in the debate on the Firearms (Amendment) Bill.

The Honourable Second Official Member.

### **The Bail (Amendment) Bill, 2005**

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

I beg to introduce a Bill entitled The Bail (Amendment) Bill, 2005.

**The Speaker:** The motion has been duly moved and is open for debate. Does the Honourable Second Official Member wish to speak?

**Hon. Samuel W. Bulgin:** Yes, Madam Speaker, very briefly.

*[Laughter and inaudible comments]*

**Hon. Samuel W. Bulgin:** Madam Speaker, among the measures being proposed in this amendment Bill, the Bill would restrict the granting of bail and thereby facilitate a pre-trial incarceration of persons who are accused of the commission of serious crimes. In the interests of justice, Madam Speaker, such restrictions are necessary as they would have the effect of preventing the accused from making contact with potential witnesses whether for the purpose of harming them, issuing threats or offering inducements.

In addition, persons released on bail often use that window of opportunity to engage in further criminal conduct. For this end, it is proposed to amend section 17 of the Bail Law by introducing a new subsection (2) which would declare the non-entitlement to bail to those persons accused of having conspired to commit or attempt to commit any of the offences listed in that subsection of the Bill. These include murder, manslaughter, rape and robbery among others, and offences committed under the Firearms Law and certain offences under the Misuse of Drugs Law.

It is expected that this measure will assist in arresting the new upsurge in criminality that threatens our way of life in these Islands. Having said so, I now commend this Bill to this honourable House. Thank you.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? If no

other Member wishes to speak, does the Honourable Second Official Member wish to exercise his right of reply?

**Hon. Samuel W. Bulgin:** Thank you, Madam Speaker. I just say a thank you to honourable Members for their earlier expressed support on this Bill.

**The Speaker:** The question is that a Bill shortly entitled The Bail (Amendment) Bill, 2005, be given a second reading. All those in favour please say Aye. Those against No.

**Ayes.**

**The Speaker:** The Ayes have it. The Bail (Amendment) Bill, 2005, has been given a second reading.

**Agreed. The Bail (Amendment) Bill, 2005, given a second reading.**

**The Speaker:** The Honourable Second Official Member.

#### **The Court of Appeal (Amendment) Bill, 2005**

**Hon. Samuel W. Bulgin:** Thank you, Madam Speaker. I beg to move a Bill entitled The Court of Appeal (Amendment) Bill, 2005.

**The Speaker:** The motion has been duly moved. Does the Honourable Second Official Member wish to speak thereto?

**Hon. Samuel W. Bulgin:** Thank you, Madam Speaker. Very briefly.

As currently exists, neither the Crown nor a complainant has a right of appeal in cases where a Grand Court Judge sitting alone has acquitted or discharged an accused person, or where the person so tried on indictment is acquitted or discharged by the jury under directions of the trial judge.

There is also no right of appeal where the accused person is convicted of an offence other than the one for which he is charged. Accordingly, Clause 2 of the Court of Appeal (Amendment) Bill which inserts section 28(a) seeks to remedy the situation and it is proposed to give such a right of appeal to the Crown and the complainant, but on a point of law only.

This will prevent the likelihood of a jury's verdict of acquittal being appealed where the Crown or complainant is merely grieved by the jury's appreciation of the facts of a case. The complainant, of course, will not be able to appeal unless he has the permission of the Attorney General.

The Bill provides that the Court of Appeal may allow the appeal if it appears that the discharge or the acquittal should be set aside on a ground of wrong decision in law. Any other case the Court, of course, must dismiss the appeal.

Importantly, where the Court allows an appeal the Court shall set aside the discharge or the acquittal of the accused person and remit the case to the court of original jurisdiction for it to be retried.

The Bill also has a provision to allow for an appeal where it is felt that the sentence imposed on a person by the Grand Court is unduly lenient or wrong in law. It is proposed that in such circumstances the Attorney General may, with the leave of the Court of Appeal, refer the case to the Court to review the sentencing of that person. Where the Court so agrees, it may quash any sentence passed on the person in the proceedings, and in place thereof may impose a sentence which the Court below can or could have imposed.

Those are really the main provisions of the Bill and the objects and I therefore commend this Bill to this House. Suffice it to say, we are really not a trail blazer in this area; there are other jurisdictions such as the United Kingdom and Bermuda that have enacted similar provisions in their laws as part of their legal battles against growing crimes.

Thank you.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? If no other Member wishes to speak, does the Honourable Second Official Member wish to exercise his right of reply?

**Hon. Samuel W. Bulgin:** Thank you, Madam Speaker, and I thank the honourable Members for their support of this Bill.

**The Speaker:** The question is that a Bill shortly entitled The Court of Appeal (Amendment) Bill, 2005, be given a second reading.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Court of Appeal (Amendment) Bill, 2005, has been given a second reading.

**Agreed. The Court of Appeal (Amendment) Bill, 2005, given a second reading.**

**The Speaker:** The Honourable Second Official Member.

#### **The Criminal Procedure Code (Amendment) Bill, 2005**

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

I beg to introduce a Bill entitled Criminal Procedure Code (Amendment) Bill, 2005.

**The Speaker:** The motion has been duly moved and is open for debate. Does the Honourable Second Official Member wish to speak thereto?

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

This Bill seeks to amend the Criminal Procedure Code (hereinafter the CPC) in order to provide that in any proceedings relating to the hearing of an offence with which an accused has been charged, the accused person, instead of appearing in person (because, for example, he has been excluded by the Court for disruptive behaviour or otherwise) he may appear by his counsel or by way of a video link.

By doing so, we are providing that when an accused misbehaves himself during his trial or during any other proceedings relating to the offence with which he has been charged (such as remand proceedings), or where the Court considers it necessary in other circumstances, instead of excluding the accused from the court completely, the Court may permit him to appear by live television link.

The television link must allow the Court and the accused to engage in simultaneous visual and oral communication. Please note, Madam Speaker, that we already provide under the Evidence Law for the giving of evidence through television link by a person other than the accused, where such person is a child or a person who is outside of these Islands. Therefore, the Bill further provides that the Court shall not allow an accused to appear by a link unless the Court is satisfied that it is in the interests of justice or the effective administration of justice for an accused person to so appear.

The Bill also amends the Criminal Procedure Code to provide that even though a court hearing an offence shall be an open court, at any time during proceedings relating to an offence, the Court may order the public generally, or any particular person, not to have access to or remain in the courtroom or building used by the Court.

Finally, the Bill also amends the Criminal Procedure Code for the purpose of prescribing the mode of trial for the various new offences which have been created by the Penal Code (Amendment) Bill, which is to be dealt with shortly hereafter.

Madam Speaker, I commend this Bill to this Honourable House.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? If no other Member wishes to speak, does the Honourable Second Official Member wish to exercise his right of reply?

**Hon. Samuel W. Bulgin:** Thank you, Madam Speaker. I wish to thank honourable Members for their support.

**The Speaker:** The question is that a Bill shortly entitled The Criminal Procedure Code (Amendment) Bill, 2005, be given a second reading.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Criminal Procedure Code (Amendment) Bill, 2005, has been given a second reading.

**Agreed. The Criminal Procedure Code (Amendment) Bill, 2005, given a second reading.**

**The Speaker:** The Honourable Second Official Member.

### **The Evidence (Amendment) Bill, 2005**

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

I beg to introduce the Evidence (Amendment) Bill, 2005.

**The Speaker:** The motion has been duly moved. Does the Honourable Second Official Member wish to speak thereto?

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

This is a very short Bill and contains an amendment which is consequential upon the passing of the Criminal Procedure Code (Amendment) Bill, 2005, that has just been dealt with.

Effectively, the Bill would amend the Evidence Law in order to provide that an accused person may give evidence through a video link, or a "live link" as we call it, in accordance with section 60 of the CPC as amended by the previous Bill that I just announced.

That, in effect, is almost a tidying up arrangement.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? If no other Member wishes to speak, does the Honourable Second Official Member wish to exercise his right of reply?

**Hon. Samuel W. Bulgin:** Thank you, Madam Speaker. I can bear to catch breath.

Madam Speaker, I wish to thank the Members of this House for their support.

**The Speaker:** The question is that a Bill shortly entitled The Evidence (Amendment) Bill, 2005, be given a second reading.

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



**Ayes.**

**The Speaker:** The Ayes have it. The Evidence (Amendment) Bill, 2005, has been given a second reading.

**Agreed. The Evidence (Amendment) Bill, 2005 has been given a second reading.**

**The Speaker:** The Honourable Second Official Member.

**The Information and Communications Technology Authority (Amendment) Bill, 2005**

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

I beg to move for the Bill entitled The Information and Communications Technology Authority (Amendment) Bill, 2005.

**The Speaker:** The motion has been duly moved and is open for debate. Does the Honourable Second Official Member wish to speak thereto?

**Hon. Samuel W. Bulgin:** Yes, Madam Speaker, briefly.

In recent times we have dealt with a number of criminal cases in which the Police have sought information from telephone service providers for investigative purposes. I am sorry to report that in some instances these requests for information have been refused, and the Police have been told categorically that telephone companies are not required by law to provide such information.

Due to the recent upsurge in crime, it is considered necessary—indeed, imperative—that the Police be authorised by law to require these service providers to provide information that will assist in the investigation of criminal cases.

In summary, the Bill amends the ICT Law to make it an offence for a telephone company to refuse to produce any document, message, record, thing, statement, or information whether in electronic form or otherwise relating to its service, or the users thereof, after having been required to so upon written request of a police officer of the rank of inspector or above for the prevention or detection of crime or for the purposes of criminal proceedings.

I want to make it quite clear that we are not here speaking about interception of telephones, we are talking about data that has already been stored and is required for assisting in criminal investigation.

Just for clarity, there is one very minor committee stage amendment that I will propose at an appropriate time which is necessary in circumstances.

So what I have just outlined is the main thrust of the Bill and I would therefore seek the support of other Members of this House in its passage.

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

The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, I will be extremely brief with just a couple of quick points.

In this regard, I know the request coming from the inspector has to be in written form, and I presume, from what the Second Official Member has said, that this is to be able to get records of a particular user so as to be able to assist in an investigation.

Now, is there going to be any sort of check in the system, that is, any sort of reporting authority set up within the Police Service or somewhere where every time this happens it is actually logged? I say that because I see the opportunity here for a Pandora's Box to be opened.

If it is wide open, temptation could very well be there to look at things and look in areas that may not be appropriate. My understanding is that this works if it is a cell phone, for example, and you have used a number in a particular area, your number will pop up in that particular cell site because that site would be the one, when you try to make the call, that your phone will have latched onto, as it were, to actually get the call through.

So from what I understand, when that request is made, there will be innocent parties as well whose information will potentially come up when some requests are made. We want to try to ensure that we put disincentives in place so that those records are not looked at.

It is like this: when I look across the way, I cannot help but see everyone who is opposite me, even though right now I speak specifically of the Second Official Member. Even if I followed the advice from my good friend from East End and I close one eye, I can still see a lot of people.

*[Inaudible comment from Member]*

**Mr. Rolston M. Anglin:** It is getting late, Madam Speaker, so I forgive him.

**The Speaker:** You will stick with the principles and merits of the Bill, not the cross-talk, please, gentlemen.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker. I hope he stops that cross-talk.

In all seriousness, as I understand it, there is that potential for abuse there. So if you have some sort of mechanism in place where people know once you go down this road there will be a recording mechanism in place of what you did and what you looked at, it will ensure that people resist the temptation to perhaps look at things that they ought not to look at.

For example, suppose one of us is driving along and we make a call. Someone who is involved in a crime is also making a call within that general vicinity and so we wind up on the same cell site. So when that request is made you see that different numbers are coming up in terms of what they are looking for and therefore different names come up, the temptation may very well be there when you see "a person of interest" popping up to look at those records.

I think it is important that we allow the Police to move swiftly and be able to carry out proper investigations and get to the root of things and move. At the same time, if we can do small things just to try and make sure that we keep things as regular as possible, we should do so.

Madam Speaker, that is my own observation and I thank you.

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

The Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden:** Madam Speaker, I too want to get some clarification.

Just following on from the point that my colleague made, because I saw there was a bit of misunderstanding, I think the point that he was making was that . . . let us say we look at a service provider and there is a specific site. If a crime is committed in that area you do not know what number it is coming from but you may know what time. So you get a snapshot and you look at the time of all calls that were made from that particular site. One of those calls would be the call that you are looking for, but some of those calls that you see might not necessarily be that call. So by looking at those numbers, you could go into somebody that is not involved with that.

I know the feelings of Members of the House on the powers of interception, and I know the Second Official Member made the point of saying this is not about interception. I think, however, we may have strayed a bit with that because I think 2(b) says "without reasonable excuse, destroys or alters, or causes to be destroyed or altered, any document, message, record or thing . . ."

If we take the term "message", basically, we could call a text message, which would be the same as having an interception of a call.

I will just clear that up again.

This amendment actually refers to a "message." If a private individual has carried on a text-message conversation instead of actually having a voice conversation, we are now giving them access to that as well, which would be the same thing as the intercept of a voice call. The information has been shared in the same way.

I know the intention is not to allow them to intercept that call, but because of the advent of text messaging (otherwise called SMS), they could actu-

ally be intercepting, or in theory getting the same information from intercepting a telephone conversation. I am not sure if that is the intent.

The only real concern that causes . . . and I know a balance has to be struck with timing. We will remember the issue of intercept and that the whole Legislative Assembly had concerns even at the level of the Governor; and now, since we are allowing the level of Inspector, it might go to the level of Chief Inspector. I am not sure what numbers of people we are talking about, but we are all cognisant of the need for timely information to be given. So I just wanted to make the point so that we will all be aware.

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

The Honourable Minister of Communications, Works & Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

I think it is incumbent upon me to rise and reply to some of the queries that the Second and Third Elected Members for West Bay have made.

As I understand it, while the possibility of what the Second Elected Member for West Bay says does exist, the purpose of a request from a constable in the rank of inspector and above from the service provider, it would be specific to an individual or to a telephone number. So if they know a crime was committed and an individual's phone was used in the commission of that crime, they would request of that telecommunication provider the numbers that were called by that number.

Madam Speaker, in the case of not knowing the number, they would request the individual. It is a little different in the case of the Governor requesting the interception of telecommunication, because this is information that is stored, this is data that is stored. If the Governor or the Court requests that for a particular telephone number all conversations or messages were to be intercepted from hereon in, that would be future communication on that number. In the case of this amendment it would mean that this is information that was stored (if it is stored) specific to that individual and that individual's telephone numbers or the numbers that they are aware of.

They cannot go on a witch hunt because they could do that any day, Madam Speaker, and say '*a crime was committed last night*'. They would have to search the whole database of that service provider to find out if a telephone was used in the commission of a crime. That would be virtually impossible.

Just the other day we had a crime [committed] in West Bay on the sister of the Leader of the Opposition. His brother-in-law chased two of the criminals so now the other one may be away. Just in case the Police wanted to find out about that individual they would look for any number that may be assigned to that person and check to see what numbers were received or called. However, they do not know the name of the

individual, and they cannot search the whole of Digicel, Cingular, Cable & Wireless and all other providers. It is impossible.

Of course, in the case that they did do that they would have to have a task force of a couple hundred people sit down and look over that. Time is of the essence to solve these crimes, so it is a little different from the Governor ordering that all conversations on a particular phone be intercepted.

As we understand it, Madam Speaker, that is the intent of this provision, and I hope that clarifies it. Maybe the Second Official Member can shed a little more light when he replies.

The amendment to the Bill will also prevent this section from contravening section 76(a) which is where the Governor can order that communication be intercepted. I just make that point clear.

Thank you.

**The Speaker:** Does any other Member wish to speak? If no other Member wishes to speak, does the Honourable Second Official Member wish to exercise his right of reply?

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

The concerns that have been raised are genuine. Like any other discipline, there is the potential for abuse, so in the end it boils down to an element of trust.

While there is recognition that what is being done is necessary, indeed, we are not a trailblazer in this regard. I just noticed recently that the European Union is enacting legislation which requires telephone providers to retain and make available all traffic on their system for the purpose of fighting serious crime and terrorism.

The point is that if it is that we need to put in greater safeguards by elevating the rank of the person who can request that information, then we are happy to do so. The purpose behind putting it at the level of inspector is that under the current Confidential Relationship Preservation Law (CRPL) it is an inspector and above that has the power to go and request information, so we were striving for a bit of consistency there as well. I must say up until now, thank God, we have not had any instances of abuse where information has been requested pursuant to the CRPL.

However, I am happy to take on board the suggestion that we might want to make it at a level of Chief Inspector; I think there are roughly three or four.

Also, the proposal is that there will be regulations put in place to set the necessary safeguards: one is to keep record of it; two is to set out, in effect, how the inquest will be crafted. There will be a specific request for specific numbers, specific time, and so on, so that there can be reasonable certainty in terms of what is being requested.

The Honourable Minister of Communications quite ably articulated how the system will work in respect of specific requests for names.

I mentioned that we intend to move for an amendment at the appropriate stage, and that is to insert a provision that also deals with reverse directory where you can use a name to request a number and vice versa. That will cut down on the possibility of the police having to troll through the entire log to find a particular name or number, so we hope to do that.

Madam Speaker, just before I sit there is one other issue that I know has been canvassed by the service providers and that has to do with cost. I gather there are some service providers who are of the view that this can be a costly exercise in some instances. We are also going to be exploring the possibility of them recovering reasonable costs in providing information that is requested by the police. That is something else we will take on board.

Having said that, we intend to ensure that the concerns expressed are in fact addressed, where appropriate, in the regulations as well.

Thank you.

**The Speaker:** The question is that a Bill shortly entitled The Information and Communications Technology Authority (Amendment) Bill, 2005, be given a second reading.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Information and Communications Technology Authority (Amendment) Bill, 2005, has been given a second reading.

**Agreed. The Information and Communications Technology Authority (Amendment) Bill 2005 given a second reading.**

**The Speaker:** The Honourable Second Official Member.

#### **The Penal Code (Amendment) Bill, 2005**

**Hon. Samuel W. Bulgin:** Thank you, Madam Speaker. I would like to move the second reading of the Bill entitled The Penal Code (Amendment) Bill, 2005. Thank you.

**The Speaker:** The motion has been duly moved and is open for debate. Does the Honourable Second Official Member wish to speak thereto?

**Hon. Samuel W. Bulgin:** Thank you, Madam Speaker. This is a bit longer Bill so a little more treatment is required.

We all are aware of the upsurge in violent crimes in recent months, and we have heard several

speakers in this House speak about criminalising and enforcing the law in respect of minor transgressions. In the past these Islands have witnessed where articles that are ordinarily used for legitimate purposes, for example a baseball bat, are kept in vehicles by criminal elements and then used as weapons for purposes of attacking persons in clubs or other places of public entertainment.

So it is felt that the time has come to try to curb this trend before it becomes the norm, and the Penal Code (Amendment) Bill seeks to achieve this objective.

If the Bill becomes law, persons will be prohibited from carrying restricted weapons at night in places such as cinemas, clubs, restaurants, recreation halls and bars. We really do not need those things in these places. The term "restricted weapons" is defined to include a machete or knife (the Second Elected Member from West Bay will be happy to hear about that), a softball bat, a baseball bat, a cricket bat or any similar bat, or an object similar to the foregoing objects made or adopted for use for causing injury to any persons or capable of causing such injury.

I know there are some persons who drive around with these objects for legitimate purposes. My dear friend the Deputy Chief Secretary is heavily involved in little league and always has his bat. He is not a problem. There are persons who really have no reason at all for having these things in their vehicle. So we are trying to prevent these things being used as weapons and persons who are attending places of entertainment and restaurants and so on.

The Bill also speaks to the issue of gangs. Members of this House, in an earlier debate repeatedly—

**The Speaker:** Honourable Second Official Member, could you just hold on until I can get your volume turned up so that the Members inside the Chamber can hear what you are saying?

Could I have the volume on the Second Official Member's microphone turned up, please?

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

The Bill also deals with the issue of gangs and, as I was saying, Members in an earlier debate repeatedly mentioned that we can no longer play the ostrich and bury our heads in the sand, pretending that we do not have a problem with gangs.

We believe—and it has been confirmed—that a number of gangs operate within the Cayman Islands; and this is a problem that is causing grave concerns to our community. We are of the view that the problem cannot be ignored any longer. The issue of gang control, indeed the compelling need to disband these gangs, must be faced boldly and it has to be dealt with, in my view, by way of legislative measures.

The Penal Code (Amendment) Bill contains provisions aimed at dealing with gangs. The Bill itself

points out that a "gang" means "**any group, association or other body consisting of three or more persons, whether formally or informally organised: (a) having as one of its primary activities the commission of an indictable offence, or an offence under the Misuse of Drugs Law (2002 Revision), for which the maximum punishment is imprisonment for three years or more; (b) any or all of the members which engage in or have, within the preceding three years, engaged in the commission of a series of such offences.**"

The Bill, if it becomes law, in effect says a person who is a member of a gang, or who participates in or contributes to the activities of a gang, knowing that any or all of the members of the gang engage in or have within the preceding three years engage in such behaviour, for example, if guilty of an offence and liable to a fine of \$500,000 and imprisonment for 20 years, subject to a minimum term of imprisonment of ten years. For the purposes of this section, subject to evidence of the contrary, so the burden is on the person to really prove that he is not a gang member.

Persons shall be deemed to be in the same group, association or other body if they have similar tattoos or other body markings, or have a similar style of dress (we heard earlier on about the peddle pushers and the bandanas and the red underwear and so on, all aimed at identifying them); or use similar symbols, signs, codes or mannerism as a means of identifying themselves with a group or association or a body. And the operative words there are "as a means of identifying themselves."

I have heard of instances where gang members have been killed, persons attend funerals, one group lined up on one side, another group lined up on the other with certain bandanas, fingers, hand-to-heart, all sort of signs making it quite clear who is who and who is on which side. Those are really distinct symbols and indications that they are persons of gangs. So the legislation is aimed at outlawing those kinds of activities and mindsets.

We want to make it quite clear that our young people have a right to associate with whoever they please, provided the association is for legitimate purposes. The term "gang" therefore has to be narrowly defined in the Bill, as I outlined before. Primary activities are a commission of indictable offences or offences under the Misuse of Drugs Law.

Persons can continue to associate and band together for legitimate purposes—Cadet Corps, [service clubs], church groups, organisations and such like. What is being targeted is association for criminal purposes.

I think this piece of legislation is timely, it is necessary, and I commend it to this honourable House. There is similar legislation, if I might add, in Canada and places like Honduras and Central America.

That is, in effect, the main provisions of this amendment Bill and I commend it to honourable Members of this House. I think it is quite timely in the circumstances.

Thank you, Madam Speaker.

**The Speaker:** Does any other Member wish to speak? If no other Member wishes to speak, does the Honourable Second Official Member wish to exercise his right of reply?

**Hon. Samuel W. Bulgin:** Thank you, Madam Speaker. I thank honourable Members for their support.

**The Speaker:** The question is that a Bill shortly entitled The Penal Code (Amendment) Bill, 2005, be given a second reading.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Penal Code (Amendment) Bill, 2005, has been given a second reading.

**Agreed: The Penal Code (Amendment) Bill, 2005, given a second reading.**

**The Speaker:** The Honourable Second Official Member.

#### **The Police (Amendment) Bill, 2005**

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

I beg to move for the second reading of a Bill entitled Police (Amendment) Bill, 2005.

**The Speaker:** The motion has been duly moved and is open for debate. Does the Honourable Second Official Member wish to speak thereto?

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

The Bill before this honourable House seeks to clarify the provision relating to the detaining of suspects, as well as strike a fair balance between the need of the community to be protected and the rights of suspects.

Under the new provisions, a constable may detain a suspect for an initial period of up to 72 hours where the Police have reasonable grounds for believing that the detention of this suspect without being charged is necessary in order to: (a) secure or preserve evidence relating to the offence for which a suspect is under arrest; (b) obtain such evidence by questioning him or; (c) complete the investigation.

At the end of that 72-hour period a suspect may be further detained for a period of an additional 72 hours, but only on the order of a constable of the rank of superintendent or above.

I just say that the second order will be made, again, only where such further detention is necessary for the purpose of further questioning or the obtaining of evidence.

In addition, however, the superintendent or other senior officers concerned must be satisfied that the investigation is proceeding diligently and expeditiously. Thereafter, the Commission of Police, using the same three criteria applying to the detention by the superintendent, may order a third period of detention not exceeding another 72 hours.

We are conscious of the possibility of abuse. And it is also a real concern. So, although there is a fourth period of detention of 72 hours, this may be ordered only by the Summary Court on the same grounds and thereafter the person has to be released or charged. However, having been released, if no additional information comes to light the person may be re-arrested for the same offence which would justify the arrest in the first place.

The whole purpose of the Bill is to clarify the provisions relating to detention of suspects. It is our understanding that you should be able to be detained for up to 21 days, if necessary, in order for the police to conduct their investigations.

We spoke earlier at the top of all these debates about the need for synergy and (to use the words of the Second Elected Member from West Bay) all the carriages must be heading in the same direction. The police must have the power to detain, bail must be restricted and if and when they are convicted, clearly the sentence must be of a deterrent nature and, hence, the synergy between all of these Bills.

I commend the Police (Amendment) Bill, 2005, to Honourable Members of this House.

Thank you.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? If no other Member wishes to speak, does the Honourable Second Official Member wish to exercise his right of reply?

**Hon. Samuel W. Bulgin:** Thank you, Madam Speaker. I do thank honourable Members for their support on this Bill.

**The Speaker:** The question is that a Bill shortly entitled The Police (Amendment) Bill, 2005, be given a second reading.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Police (Amendment) Bill, 2005, has been given a second reading.

**Agreed. The Police (Amendment) Bill, 2005 , given a second reading.**

**The Speaker:** I call upon the Honourable First Official Member.

### **The Prisons (Amendment) Bill, 2005**

**Hon. George A. McCarthy:** Madam Speaker, I beg to move the second reading of a Bill entitled The Prisons (Amendment) Bill, 2005.

**The Speaker:** The motion has been duly moved. Does the Honourable First Official Member wish to speak thereto?

**Hon. George A. McCarthy:** Thank you, Madam Speaker.

This Bill is part of Government's legislative reform aimed at diminishing the high number of crimes in (which until recently was) our peaceful Cayman Islands. There are several factors which appear to be contributing to the upsurge in crime, and the Government is of the opinion that one of those factors is the high recidivism among offenders. In other words, we see that many of crimes are being committed over and over again by the same offenders.

As far back as 1998, the Government took note of that fact and enacted the Penal Code (Amendment) Law of that year which provided, in part, that where a person is found guilty by a Court of committing an indictable offence for the second time, the Court may in its discretion sentence that person to a period of imprisonment for life for that second offence. Unfortunately, this did not have the deterring effect we anticipated. As we see, in some recent cases there are accused persons who appear before the Court with more than 50 previous convictions. It is also obvious that, in light of such cases, the prisons' rehabilitation programs must be revisited as a matter of urgency.

In light of the rising increase in crime, the Government has taken the view that it is incumbent to examine the early-release system, or parole as it is more commonly known. The Prison Law of 1975 provides for a remission of one-third of a prisoner's sentence unless a disciplinary prison punishment has been given to such prisoner. The Law also provides that in lieu of remission, the Governor may, in his discretion, order the early release of a convicted prisoner serving a sentence of a definite length at any time after he has served at least one year's imprisonment or one-third of his sentence, whichever is greater.

The Governor in exercising such discretion is advised by the parole board.

In 1972, the Prisons Law was amended to change the early release provisions. The Law prior to

1992 provided that a prisoner would be eligible for early release after having served one-half of his sentence. The 1992 amendment reduced the period from one-half to one-third.

Madam Speaker, not only is the threshold of one-third unacceptably low, but, unfortunately, the law has been interpreted for some time as giving a convicted person a right to parole. This liberal interpretation of the Law allows for persons who are convicted of violent offences to be released from prison too quickly—long before he or she would have fully reflected on his or her offensive behaviour and atoned for their actions. In far too many cases—almost as soon as such persons are released—they re-offend. Such repeat offenders quickly learn that no matter how often they are convicted, as long as they behave well during their current period of incarceration then they will only serve one-third of their sentence.

The Parole Board has interpreted the provisions of the Law to mean that the first eligible period for consideration of parole means that a prisoner ought to be paroled at the first opportunity. I must stress that the current Law does not give a right to parole, but only on *eligibility* for parole. In this regard, it is apparent that legislative action is required to achieve this end.

The Prisons (Amendment) Bill, 2005, is intended to ensure that persons convicted of certain offences are incarcerated for much longer periods. Accordingly, the Bill is proposing that the first eligibility period for consideration for parole is a period after the person has served at least five-ninths of his sentence. This is more than one-half of the sentence, but less than two-thirds which is the threshold for remission of a sentence. We hope that this compromise will ensure that incentive remains for good behaviour, but also that convicted persons are adequately penalised for their offensive behaviour.

Most importantly, it is hoped that by increasing the time before eligibility for parole can occur this will serve as a deterrent and consequently modification in behaviour.

The offences to which a five-ninth will apply are set out in the schedule to the Bill that is in front of this honourable House, Madam Speaker. The schedule contains a wide range of offences. Some of the offences are violent offences and some are offences which may cause a threat to public safety and order. The offences specified in the schedule include offences under the Misuse of Drugs Law: the unlawful use and possession of firearms, manslaughter, rape, child stealing, defilement of children, rioting, conspiracy to defeat the course of justice, aiding a prisoner to escape, being an accessory after the fact to murder, arson and sending a bomb hoax.

The one-third threshold continues to apply to offences not specified in the schedule.

It should be noted also, Madam Speaker, that we are mindful of the limited space at both prisons. As a result, the Bill provides in Clause 4 that the provi-

sions of this Bill will not apply to persons who are presently serving sentences. We reiterate, however, that we intend to have in place a parole board which will consider each parole request carefully and understand that parole does not have to be granted upon first application.

It should be noted that while this amending Bill, together with those presented tonight by the Honourable Second Official Member, have as their objective the need to penalise offensive behaviour, it is hoped that the primary outcome will be a positive modification in behaviour and the re-entry into society of our young men and women who, through bad judgment, have broken the Rule of Law and, as a consequence, find themselves incarcerated in our penal institutions.

The Government wants to send this primary message, particularly to our young men and women who have been engaging in offensive behaviour: While we are totally against such behaviour, we do accept that you are citizens of this community. Consequently, we would like for you to reflect on the demerits of your anti-social behaviour, the lack of consideration for your loved ones, and how you are disrespecting your heritage and, as a consequence, hurting the image of these beautiful Cayman Islands that your forefathers have sacrificed so much to protect and to have passed on to you to enjoy and not to abuse.

Madam Speaker, these are my brief remarks and I commend this Bill to honourable Members.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? If no other Member wishes to speak, does the Honourable First Official Member wish to exercise his right of reply?

**Hon. George A. McCarthy:** Madam Speaker, I would like to thank all honourable Members for their overwhelming tacit support for this Bill.

**The Speaker:** The question is that a Bill shortly entitled The Prisons (Amendment) Bill, 2005, be given a second reading.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Prisons (Amendment) Bill, 2005, has been given a second reading.

**Agreed. The Prisons (Amendment) Bill, 2005 given a second reading.**

**The Speaker:** Is it the wish of this honourable House to continue through the committee stage of these Bills tonight?

The Honourable Second Official Member would appreciate continuing as he is leaving the Island tomorrow. So the other choice we have, is to could come back at 9.30 in the morning or, if we stay tonight, I would have to ask the Deputy Speaker to take the Chair.

Will Honourable Members undertake that we can start Parliament at 9.30 on the dot tomorrow morning? Can we take that responsibility very seriously, as we are considering very serious Bills for the future of these Islands?

*[pause]*

**The Speaker:** I will entertain a motion for the adjournment.

## ADJOURNMENT

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker.

I beg to move the adjournment of this honourable House until 9.30 am tomorrow, Friday, the 14<sup>th</sup>.

**The Speaker:** The question is that this honourable House do now adjourn until 9.30 am tomorrow morning, 14<sup>th</sup> Friday.

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

**Ayes.**

**The Speaker:** The Ayes have it. This honourable House do now adjourn until 9.30 am tomorrow morning.

**At 10.11 pm the House stood adjourned until 9.30 am Friday, 14 October 2005.**





**OFFICIAL HANSARD REPORT**  
**FRIDAY**  
**14 OCTOBER 2005**  
**9.36 AM**  
*Fourth Sitting*

**The Speaker:** I call upon the Honourable Leader of the Opposition to deliver the Prayer.

**PRAYERS**

**Hon. W. McKeever Bush:**

Let us pray.

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

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

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

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

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

**Proceedings resumed at 9.39 am**

**ADMINISTRATION OF OATHS  
AND AFFIRMATIONS**

**Oath of Affirmation**  
(administered by the Clerk)

*By Mrs. Sonia Marcia McLaughlin to be the Temporary Third Official Member responsible for the Portfolio of Finance and Economics.*

**The Speaker:** Mrs. McLaughlin would you come to the Clerk's desk please?

Shall we all stand?

**Mrs. Sonja M. McLaughlin:** I, Sonia Marcia McLaughlin, do solemnly and sincerely affirm and declare that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her Heirs and Successors, according to Law.

**The Speaker:** Mrs. McLaughlin, I welcome you to these hallowed Chambers as the Acting Third Official Member. You now join the ranks of the three females, there will be four of us in here from the 14th to the 21st, and I think it is the first time we have had a woman acting as the Third Official Member of this Parliament. Welcome, you may now take your seat.

Please be seated.

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

**Apologies**

**The Speaker:** I have one apology for absence. But I would first like to thank all honourable Members for being so prompt, having left here at 10 pm last night.

I have received apologies from the Honourable Third Official Member who will be off Island on official business from 14 to 21 October 2005. It is not my intention to extend apologies for the Third Official Member every morning this Parliament meets as he will be absent from the 14<sup>th</sup> to the 21<sup>st</sup>.

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

**The Speaker:** Question No. 35 standing in the name of the Leader of the Opposition, the First Elected Member for the district of West Bay, is addressed to the Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

Honourable Leader of the Opposition.

### Question No. 35

**No. 35: Hon. W. McKeeva Bush** asked the Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture, if it is the intention of the Minister to add more staff to the Ministry of Education, and, if so, would he explain the rationale for his decision and the time period in which the staff will be added to the Ministry.

**The Speaker:** Honourable Minister for Education.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker.

Yes, it is the intention to add new posts to the Ministry to ensure much needed technical attention on each of the subject areas of the Ministry. These new positions will also support increased attention to finance and personnel management and their accompanying accountabilities throughout all subject areas of the Ministry. Posts are expected to come on line over the next three months.

### Supplementaries

**The Speaker:** Are there any Supplementaries?

The Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, can the Honourable Minister say what the positions are?

**The Speaker:** Honourable Minister of Education.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, the new posts (one of which has already been filled) include Deputy Permanent Secretary of Research and Planning; Deputy Permanent Secretary of Business Planning with responsibility for employment relations and pensions; Assistant Permanent Secretary with the responsibility for Youth, Sports and Culture including Libraries; a Chief Human Resources Manager; a Deputy HR Manager; a Training and Development Specialists (ministry wide); Corporate Communications Manager (ministry wide).

**The Speaker:** Are there any further supplementaries?  
Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker. One of the positions outlined is personnel management. Does this mean personnel in the Ministry itself, or personnel management including all teachers and the Education Department?

**The Speaker:** Honourable Minister for Education.

**Hon. Alden M. McLaughlin, Jr.:** As the Leader of the Opposition may know, as part of the personnel reform process within the civil service, all ministries will require an HR Unit.

In this case we have the Chief HR Manager who will have overall responsibility for HR across all subject areas in the ministry and a Deputy HR Manager who will have specific responsibility for Education. To be absolutely clear, the HR function of the Department of Education will be moved under the Deputy HR Manager within the Ministry.

**The Speaker:** Are there any further supplementaries?  
Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker. Is the Minister saying that the Ministry will have full control of the employment of all teachers for the Cayman Islands education system?

**The Speaker:** Honourable Minister of Education.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, I am not sure what he means by "all control," but I will explain it this way:

Presently, the recruitment and management of teaching staff is a source of major problems, controversy and issues. It has always been so. Principals complain that they have little or no say in who comes to the school, and often they do not even know who the new staff members are until they show up at the door. As part of the overall exercise of devolving more autonomy and responsibility to the principals of the various schools, principals are going to play an increasingly important role in staff selection and management.

The way we propose to deal with this issue is that the Deputy HR Manager will have general responsibility for the management of staff including recruitment within the education service. They will act in consultation with the principals of various schools to address these issues.

**The Speaker:** Are there any further supplementaries?  
Are there any further supplementaries?

If there are no further supplementaries we will move on to question No. 36 standing in the name of the Leader of the Opposition, First Elected Member for the district of West Bay and it is addressed to the Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

Honourable Leader of the Opposition.

### Question No. 36

**No. 36: Hon. W. McKeeva Bush** asked the Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture [as] the Honourable Minister has said there is gross incompetence in the Department of Education, will he explain who is incompetent and not doing their job, and what is being done about it?

**The Speaker:** Honourable Minister of Education.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker.

As Minister I have expressed in this honourable House and elsewhere my concerns about the ongoing problems with leadership and management in the Education Department.

My comments speak to the quality, effectiveness and efficiency of the services provided by the Education Department to our students first and foremost, to our schools, and to the Ministry. In essence, they speak about performance, leadership and management responsibility, not to naming individuals, as this is where my constitutional responsibilities lie.

In terms of action, my Ministry has been working with the Education Department to clarify policy, provide guidance, strengthen procedure and, when all else fails, find alternative means of getting jobs that fall within the remit of the Department done. However, this, by necessity, has to be just a stop-gap measure.

As I have outlined in the Conference Report, mine is not the first Government or Administration to identify weaknesses in the Education Department as a priority. However, I am committed to a strategic approach to improving the effectiveness and efficiency of the Department, by doing so within the context of securing improvements in how we do business at all levels of the education service. The details of what this involves are contained in the Report entitled National Consensus on the Future of Education 2005, laid on the Table and adopted by the House yesterday.

### Supplementaries

**The Speaker:** Hon Leader of the Opposition.

**Hon. W. McKeever Bush:** The Minister has said there is gross incompetence in the Department. I wish to know whether the Minister has had any visits or meetings with the Chief Education Officer and her staff in that Department to discuss those things that he commented on in the press a few weeks ago.

**The Speaker:** Honourable Minister for Education.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, I have had no meetings with the Chief Education Officer since the comments I made in the press.

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

**Hon. W. McKeever Bush:** Madam Speaker, in that case did the Minister have any visits with the Chief [Education Officer] and her staff (outside of the initial visit he made as the Minister to his Department) to talk about those things he has complained about?

**The Speaker:** Honourable Minister for Education.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, as I hope that the Honourable Leader of the Opposition will know by now—given his many years in this House and in Government—responsibility for personnel and personnel management is absolutely outside the scope of my constitutional responsibility. What I can tell the Leader of the Opposition is that my Permanent Secretary has had countless meetings with the Chief Education Officer and other members of staff in relation to the management of the Department of Education. This Minister is not going to trample on turf that is constitutionally not within his remit.

**The Speaker:** Any further supplementaries?  
Honourable Leader of the Opposition.

**Hon. W. McKeever Bush:** Thank you, Madam Speaker. If the Minister has found gross incompetence by whatever means—be it the Permanent Secretary's visits . . . he said he has not gone and he will not go—what is that chain of command saying about what is to be done in regard to the Education Department?

**The Speaker:** Honourable Minister for Education.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, I am not going to disclose matters of a confidential nature. What I can tell the Leader of the Opposition is that discussions have been held and are being held at the very highest level to deal with these issues.

**The Speaker:** I will allow one more supplementary.  
The First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** To the Honourable Minister responsible for Education with reference to paragraph three of his substantive answer, which says, "*my Ministry has been working with the Education Department to clarify policy, provide guidance, strengthen procedure, and when all else fails, to find alternative means of getting jobs that fall within the remit of the Department done.*" I wonder if the Minister is in a position to confirm that all else has failed as it relates to his previous answer with finance and personnel management where he is now seeking to get new support staff.

**The Speaker:** Honourable Minister of Education.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, that is a rather convoluted question that I am not sure I can decipher entirely.

I know the honourable First Elected Member for Cayman Brac [and Little Cayman] was not here yesterday, so she may not have fully grasped the content of the National Consensus on Education Report which was adopted by this House yesterday but that spoke to some length about the proposal for fi-

financial reform and the need to address budgeting issues in a different way. I also explained when I was winding up that a finance review is currently underway by the Ministry to identify the problems and to enable us to get a better grip on how the Department of Education spends money and on what it spends money and to be able to budget more effectively than is currently the case.

I hope that answers what I believe to be the question.

**The Speaker:** That concludes Question Time.

## STATEMENTS BY HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

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

## GOVERNMENT BUSINESS

### BILLS

#### COMMITTEE ON BILLS

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

#### House in Committee at 9.57 am

**The Chairman:** The House is now in Committee and as normal with the leave of the House may I assume that as usual we should authorise the Honourable Second Official Member to correct minor errors and such the like in these Bills?

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

#### The Firearms (Amendment) Bill, 2005

##### Clauses 1 through 19

**The Clerk:**

|          |                                                                                                             |
|----------|-------------------------------------------------------------------------------------------------------------|
| Clause 1 | Short title                                                                                                 |
| Clause 2 | Amendment of section 2 of the Firearms Law (1998 Revision) – definitions and interpretation                 |
| Clause 3 | Amendment of section 3 – restriction on importation or exportation of firearms                              |
| Clause 4 | Amendment of section 4 – travellers to make declaration of firearms                                         |
| Clause 5 | Amendment of section 5 – traveller's option                                                                 |
| Clause 6 | Repeal and substitution of section 6 – custody of firearms by customs officers                              |
| Clause 7 | Amendment of section 7 – firearms not to be deemed to be imported into the Islands in certain circumstances |

|           |                                                                                                         |
|-----------|---------------------------------------------------------------------------------------------------------|
| Clause 8  | Amendment of section 8 – restrictions upon acquisition or disposal of firearms                          |
| Clause 9  | Amendment of section 15 – possession and use of firearms                                                |
| Clause 10 | Amendment of section 16 – general restriction on carrying firearms in public                            |
| Clause 11 | Amendment of section 18 – restriction relating to the discharge and carriage of firearms                |
| Clause 12 | Amendment of section 29 – appeals                                                                       |
| Clause 13 | Amendment of section 30 – appropriate authority                                                         |
| Clause 14 | Insertion of section 33A – further provisions relating to production of Commissioner's written approval |
| Clause 15 | Amendment of section 34 – search warrants                                                               |
| Clause 16 | Amendment of section 36 – custody of firearms                                                           |
| Clause 17 | Amendment of section 37 – Category B offence                                                            |
| Clause 18 | Amendment of section 38 – forfeiture of firearms                                                        |
| Clause 19 | Amendment of section 41 – when provisions shall not apply                                               |

**The Chairman:** The question is that Clauses 1 through 19 form part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

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

**Agreed. Clauses 1 through 19 passed.**

**New Clause 17A** – Insertion of section 37A – restriction on eligibility for parole

**The Chairman:** Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Thank you, Madam Chairman.

In accordance with the provisions of Standing Order 52(1) and (2), I now move the following amendment to the Firearms (Amendment) Bill, 2005: that the Bill be amended by inserting after Clause 17 the following clause: "17A. The principal Law is amended by inserting after section 37 the following section 37A:

'37A. Notwithstanding any provision in any other Law, a person -

- convicted of an offence under section 3(1) and sentenced pursuant to section 3(2)(a);
- convicted of an offence under section 15(1) and sentenced pursuant to section 15(5)(a); or
- convicted of an offence under section 18(6) and sentenced pursuant to section 18(6)(a),

shall not be eligible for parole."

Madam Chairman, with your leave, the word “parole” appears there and it is used simultaneously to mean “licence”.

**The Chairman:** Are you saying that the word “parole” should be replaced with the word “licence”.

**Hon. Samuel W. Bulgin:** . . . “Shall not be eligible,” Madam Chairman, with your leave, “to be released on licence.”

**The Chairman:** “Shall not be eligible for parole” is what it says. I cannot hear what you are saying quite well.

**Hon. Samuel W. Bulgin:** Where the word “parole” appears, I am asking that the sentence read instead “shall not be eligible to be released on licence.”

**The Chairman:** Honourable Second Official Member would that change the marginal note also?

**Hon. Samuel W. Bulgin:** Yes, Madam Chairman, but we could do that as a consequential cleaning-up exercise.

**The Chairman:** The question is that this Clause be read a second time. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Amendment passed.**

**Agreed that the Clause, as amended, be read a second time.**

**The Chairman:** The question is that this clause be added to the Bill as Clause 17(A) and that the subsequent clauses be renumbered accordingly.

Honourable Second Official Member, I have a problem with what the Standing Order says and what we have been doing with legislation. If we are doing 17(A) is it necessary to renumber the other clauses as the Standing Order requires this Parliament to do?

**Hon. Samuel W. Bulgin:** Madam Chairman are you referring to a particular Standing Order?

**The Chairman:** Yes Sir, I am reading from the Standing Orders of the Parliament and in the past this is the way it was done. When a new clause was entered into a Bill all the following clauses were renumbered because the Standing Orders require that.

**Hon. Samuel W. Bulgin:** Thank you, Madam Chairman.

The Standing Order prevails. When the vellum is being done, the Legislative Drafting Department, working in conjunction with the Clerk, would renumber the paragraphs accordingly.

### **Ruling by Chairman on Standing Order 52(8)**

**The Chairman:** Honourable Second Official Member I appreciate that, but it is my responsibility—and I have been charged to bring back proper procedure—so I would ask that you instruct the Legislative Draft persons and make them aware of this Standing Order that covers procedure in this Parliament.

**Hon. Samuel W. Bulgin:** Thank you, Madam Chairman, I certainly will.

**Agreed that the Clause, as amended, be added to the Bill and that the subsequent clauses be renumbered accordingly.**

### **Insertion of New Clause 20**

Savings and transitional provisions

**The Chairman:** Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Thank you, Madam Chairman.

In accordance with the provisions of Standing Order 52(1) and (2) I, the Second Official Member, now move the following amendment to the Firearms (Amendment) Bill, 2005: that the Bill be amended by inserting after Clause 19, the following Clause:

“20. (1) Where

- (a) prior to the date of commencement of this Law, an accused person is convicted of or pleads guilty to an offence (irrespective of when the offence was committed); and
- (b) at the date of commencement of this Law, no judgment or sentence has been passed upon him in respect of the offence, the accused person shall, for the purpose of the judgment or sentence, be dealt with in all respects as if the new Law had not come into force.

“(2) Where on or after the date of commencement of this Law, an accused person is convicted of or pleads guilty to an offence (irrespective of when the offence was committed), the accused person shall, for the purpose of judgment or sentence in respect of the offence, be dealt with in all respects under the new Law and the provisions of the new Law are to apply accordingly.

“(3) In this section – ‘new Law’ means the principal Law as amended by this Law.”

Madam Chairman, this is simply saying that once this new law comes into operation, persons who are now charged but have not yet been tried and convicted will be subject to the new law. However, where a person has already been tried and convicted but has not yet been sentenced they will be dealt with under the old law.

**The Chairman:** The question is that this clause be read a second time. All those in favour please say Aye. Those against, No.

Ayes.

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

**Agreed that the Clause be read a second time.**

**The Chairman:** The question is that this Clause be added to the Bill as Clause 20 and that the subsequent clauses be renumbered accordingly. All those in favour please say Aye. Those against, No.

Ayes.

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

**Agreed that the Clause be added to the Bill as Clause 20.**

**The Clerk:** A bill for a law to amend the Firearms Law (1998 Revision) to impose restrictions in respect of the possession and use of bullet-proof vests; to make provision for the imposition of mandatory minimum penalties upon conviction for certain firearms offences; and for incidental and connected purposes.

**The Speaker:** The question is that the Title form part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

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

**Agreed: Title passed.**

#### **The Bail (Amendment) Bill, 2005**

##### **Clauses 1 and 2**

**The Clerk:**

|          |                                                                       |
|----------|-----------------------------------------------------------------------|
| Clause 1 | Short title                                                           |
| Clause 2 | Repeal and substitution of section 17 of the Bail Law (1997 Revision) |

**The Chairman:** The question is that Clauses 1 and 2 form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clauses 1 and 2 passed.**

**The Clerk:** A bill for a law to amend the Bail Law (1997 Revision) to create a category of non-bailable offences; and for incidental and connected purposes.

**The Chairman:** The question is that the Title form part of the Bill. All those in favour please say Aye. Those against, No.

Ayes.

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

**Agreed: Title passed.**

#### **The Court of Appeal (Amendment) Bill, 2005**

##### **Clauses 1 through 4**

**The Clerk:**

|          |                                                                                                                                                        |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| Clause 1 | Short title                                                                                                                                            |
| Clause 2 | Amendment of the Court of Appeal Law (1996 Revision) Insertion of section 28A – (reference to court on point of law following acquittal on indictment) |
| Clause 3 | Insertion of section 29A – unduly lenient sentence                                                                                                     |
| Clause 4 | Insertion of Schedule to the principal Law                                                                                                             |

**The Chairman:** The question is that Clauses 1 through 4 form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clauses 1 through 4 passed.**

##### **The Schedule**

**The Chairman:** The question is that the schedule form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Mrs. Juliana Y. O'Connor-Connolly:** Madam Chair.

**The Chairman:** The First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Just by way of clarification. On page 6, paragraph 3 where it states that "from time to time the Government would be setting the scales and the rates fixed." I wonder if there was any particular justification for the Government to be setting it.

**The Chairman:** Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Chair, I am not sure that I am following the query.

**The Chairman:** First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Page 6, paragraph 3, deals with the Government having the power to set the scales and weights to be fixed from time to time. Is there a particular reason why the Government is given that reasonability?

**The Chairman:** Honourable Second Official Member, her question is why is the Government setting the scales and rates for documents or exhibits including copies or reproductions of documents required for any application.

I would think that is the responsibility of the Financial Secretary. I don't know if I am correct.

Honourable Second Official Member?

**Hon. Samuel W. Bulgin:** Is she querying whether it is the Government as opposed to someone else. It is an administrative exercise which will be dealt by a department of government presumably through the Governor in Cabinet.

**The Chairman:** Honourable Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, I want to ensure that it was not seen as the political Government setting these fees but, rather, the Financial Secretary, the Court or the Chief Justice or someone more administrative. That is what I am seeking clarity on.

**The Chairman:** The question is that the schedule form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Schedule passed.**

**The Clerk:** A bill for a law to amend the Court of Appeal Law (1996 Revision) in order to implement wider

grounds of appeals from decisions of the Grand Court; and for incidental and connected purposes.

**The Chairman:** The question is that the Title do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Title passed.**

### **The Criminal Procedure Code (Amendment) Bill, 2005**

#### **Clauses 1 through 3**

**The Clerk:**

|          |                                                                                                                                      |
|----------|--------------------------------------------------------------------------------------------------------------------------------------|
| Clause 1 | Short title and commencement of section 4                                                                                            |
| Clause 2 | Amendment of section 10 of the Criminal Procedure Code (2005 Revision) - court to be opened                                          |
| Clause 3 | Repeal of section 60 and substitution – accused persons entitled to be present at trial and may be represented by legal practitioner |
| Clause 4 | Amendment of First Schedule – mode of trial and arrestable offences                                                                  |

**Hon. Samuel W. Bulgin:** Madam Chair, with your leave and pursuant to the relevant Standing Order, I am proposing to move an amendment to Clause 4 because the amendment was not previously circulated.

**The Chairman:** Honourable Second Official Member I will waive the required time of notice but is it possible to have this amendment in writing?

**Hon. Samuel W. Bulgin:** Madam Chairman I have a draft here. It is something that we picked up just before the commencement of Committee.

**The Chairman:** Is it a short or lengthy amendment?

**Hon. Samuel W. Bulgin:** Two paragraphs.

**The Chairman:** I would appreciate if we could have something in writing that Members can follow.

**Hon. Samuel W. Bulgin:** I can do that, Madam Chairman, but the nature of the amendment is such that, with leave, if I attempt to articulate it Members will readily appreciate what is happening.

With your leave, if I might. What is happening is that there is an inconsistency between the Schedule and the Criminal Procedure Code. The sentences are not consistent. There is a mistake in that whereas the Penal Code provides that there should be a fine of

\$5,000 or imprisonment for four years the Schedule is saying \$100,000 and twenty years. I am trying to change it to make sure that it is consistent.

The Schedule should say that it will be a fine of \$5,000 or imprisonment of four years. I am trying to make sure that they are in sync.

**The Chairman:** Honourable Second Official Member if you would allow the Serjeant-at-Arms to get a copy of that so that I will have it.

Is this in [Clause] 4?

**Hon. Samuel W. Bulgin:** Clause 4 of the Criminal Procedure Code (Amendment) Bill in front of you, on page 6.

**The Chairman:** I will put the question on Clauses 1 through 3.

The question is that Clauses 1 through 3 form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clauses 1 through 3 passed.**

**Hon. Samuel W. Bulgin:** Madam Chair, you enquired about the page, if you are in possession of the Criminal Procedure Code (Amendment) Bill, Clause 4(iv).

**The Chairman:** Yes, Honourable Member.

**Hon. Samuel W. Bulgin:** Where it says, "the maximum punishment shall be a fine of \$100,000 or imprisonment for twenty years", that is, in fact, an error. It should have been \$5,000 or four years.

**The Chairman:** So the amendment will be, "the maximum punishment shall be a fine of \$5,000 and imprisonment for four years"?

**Hon. Samuel W. Bulgin:** Yes, Madam Chair.

**The Chairman:** "Subject to a minimum term of imprisonment of ten years." Does ten years remains?

**Hon. Samuel W. Bulgin:** No, all of that goes.

**The Chairman:** Could I then ask you to move the amendment in full?

**Hon. Samuel W. Bulgin:** In accordance with the relevant Standing Order, I, the Second Official Member, move the following amendment to the Criminal Procedure Code (Amendment) Bill, 2005: "In clause 4 (a) by deleting subparagraph (iv), and substituting therefore the following subparagraph –

'(iv) the maximum punishment shall be a fine of five thousand dollars and imprisonment for four years.'"

**The Chairman:** The question is that the amendment do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Amendment to Clause 4 passed.**

**The Chairman:** The question is that Clause 4 as amended do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clause 4 as amended passed.**

**The Clerk:** A bill for a law to amend the Criminal Procedure Code Law (2005 Revision) in order to provide for the giving of evidence by defendants through a live link; to prescribe the mode of trial for various offences; and for incidental and connected purposes.

**The Chairman:** The question is that the Title do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Title passed.**

## **The Evidence (Amendment) Bill, 2005**

### **Clauses 1 and 2**

**The Clerk:**

|          |                                                                                                                         |
|----------|-------------------------------------------------------------------------------------------------------------------------|
| Clause 1 | Short title and commencement                                                                                            |
| Clause 2 | Insertion of section 37A in the Evidence Law (2004 Revision) – evidence through television links by the accused person. |

**The Chairman:** The question is that clauses 1 and 2 do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clauses 1 and 2 passed.**



**The Clerk:** A bill for a law to amend the Evidence Law (2004 Revision) in order to provide for the giving of evidence through live television link by an accused person; and for incidental and connected purposes.

**The Chairman:** The question is that the Title do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Title passed.**

**The Information and Communications Technology Authority (Amendment) Bill, 2005**

**Clause 1**

**The Clerk:** Clause 1 Short title

**The Chairman:** The question is that clause 1 do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clause 1 passed.**

**Clause 2**

**The Clerk:** Clause 2 Insertion of section 76A in The Information and Communications Technology Authority Law (2004 Revision) – refusal to produce records to police officer

**The Chairman:** Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** In accordance with Standing Order 52, I move the following amendment to Clause 2: In the proposed new section 76A –

- (i) by re-numbering the section as subsection (1) of 76A;
- (ii) by deleting the words “An ICT licensee who -” and substituting the words “Subject to subsection (2), an ICT licensee who -”; and
- (iii) by inserting after subsection (1) the following subsection –

“(2) Subsection (1) applies to any document, message, record, thing, statement or information (whether in electronic form or otherwise) held by an ICT licensee and relating to its ITC network, ICT service or the users thereof, other than any such message transmitted earlier than five years prior to the date of

commencement of the Information and Communications Technology authority (Amendment) Law, 2005.”

Madam Chairman, before you take the vote on that I also have another motion to move pursuant to [Standing Order] 52(2), and that is to seek the leave of the Chair to make another minor amendment to the proposed amendment.

**The Chairman:** Is this [another] amendment to Clause 2 that you are proposing?

**Hon. Samuel W. Bulgin:** Yes, to the final paragraph of the document which would be where it reads subsection (2) “subsection (1) applies to any document” . . . after the word “document” (with leave of the Chair) I would like to include the words in brackets “[including a reverse directory].”

**The Chairman:** Including a reverse directory?

**Hon. Samuel W. Bulgin:** Yes, in brackets.

So just to be clear, after the word “document,” we would have a bracket, and in the bracket would read the words “[including a reverse directory], message.”

**The Chairman:** The question is that amendment do form part of the Bill.

I recognise the First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O’Connor-Connolly:** Madam Chair, with reference to the requirement of a constable of the rank of inspector upon the written request being able to ask for the production, I wonder whether the Hon. Second Official Member could say whether or not consideration was given to it being a production order by way of ex parte, with the courts being involved, as opposed to a lesser test of the police being given this discretion.

**The Chairman:** Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Yes, Madam Chairman, we do. But in the era in which we are living where, for example, you might require this sort of information on a Saturday or Sunday (when it would be nearly impossible to access the Court) and information is required readily, it was considered more appropriate and a safeguard as well to have an inspector being able to make that request.

**The Chairman:** The question is that the amendment do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Amendments to Clause 2 passed.**

**The Chairman:** The question now is that Clause 2 as amended do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clause 2, as amended, passed.**

**The Clerk:** A bill for a law to amend the Information and Communications Technology Authority Law (2004 Revision) to enable the Police to obtain information, for investigative purposes, from telephone companies; and for incidental and connected purposes.

**The Chairman:** The question is that the Title do form part of the Bill—

**Hon. Samuel W. Bulgin:** Madam Chair?

**The Chairman:** Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** I might have missed it, but the first part of the committee stage amendment, which is . . . I'm sorry.

Does this come after as a new clause?

**The Chairman:** The Clerk missed it and we apologise. We will read it now.

**The Clerk:** Insertion of New Clause 1A – Amendment of section 75 of the Information and Communications Technology Authority Law (2004 Revision) – Interception of messages prohibited.

**The Chairman:** The question is that this clause be read a second time. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed the Clause be read a second time.**

**The Chairman:** The question is that this clause be added to the Bill as Clause 1A and that subsequent clauses be renumbered accordingly. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed New Clause 1A added to the Bill.**

**The Clerk:** A bill for a law to amend the Information and Communications Technology Authority Law (2004 Revision) to enable the Police to obtain information, for investigative purposes, from telephone companies; and for incidental and connected purposes.

**The Chairman:** The question is that the Title do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Title passed.**

### **The Penal Code (Amendment) Bill, 2005**

#### **Clauses 1 through 3**

**The Clerk:**

|          |                                                                                                            |
|----------|------------------------------------------------------------------------------------------------------------|
| Clause 1 | Short title                                                                                                |
| Clause 2 | Amendment of section 78 of the Penal Code (2005 Revision) – definition of prohibited and offensive weapons |
| Clause 3 | Amendment of section 80 – restriction on carrying offensive weapons                                        |
| Clause 4 | Insertion of section 80A – restriction on carrying restricted weapons by night                             |
| Clause 5 | Insertion of sections 81 and 82 – power of search; forfeiture etc.                                         |
| Clause 6 | Insertion of Part VIIA Anti-Gang Provisions                                                                |

**Mrs. Juliana Y. O'Connor-Connolly:** Madam Chair, I have a quick question on Clause 4.

**The Chairman:** The question is that Clauses 1 through 6 do form part of the Bill.

I recognise the First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** To the Honourable Second Official Member, with reference to Clause 4(2) where it provides a statutory defence for the carrying of a knife. I wonder whether or not consideration could be given for the insertion of a machete, seeing that there are a number of farmers within the jurisdiction that would have reasonable cause for having a machete in their vehicle as well.

**The Chairman:** Honourable Second Official Member?

**Hon. Samuel W. Bulgin:** Madam Chair, with your leave, and pursuant to Standing Order 52 (3) I would move for the insertion of the word "machete" as well.

**The Chairman:** I will have put the question again. The question is that clauses 1 through 3 do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clauses 1 through 3 passed.**

#### Clause 4

**The Clerk:** Clause 4 Insertion of section 80A – restriction on carrying restricted weapons by night

**The Chairman:** Honourable Second Official Member, am I to understand that the amendment is—

**Hon. Samuel W. Bulgin:** I am seeking leave of the Chair to move the amendment I subparagraph (2) to say: “In the proposed new section 80A – by inserting the word ‘machete or’ before the word ‘knife’ as it appears in subsection (2).”

**The Chairman:** The question is that clause 4 be amended. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Amendment to Clause 4 passed.**

**The Chairman:** The question is that Clause 4, as amended, do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clause 4, as amended, passed.**

#### Clauses 5 and 6

**The Clerk:**

Clause 5 Insertion of sections 81 and 82 – power of search; forfeiture etc.

Clause 6 Insertion of Part VIIA Anti-Gang Provisions

**The Chairman:** The question is that Clauses 5 and 6 do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**The Clerk:** A bill for a law to amend the Penal Code (2005 Revision) to outlaw the carrying of weapons at night; to prohibit membership in gangs; and for incidental and connected purposes.

**The Chairman:** The question is that the Title do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Title passed.**

#### The Police (Amendment) Bill, 2005

##### Clauses 1 and 2

**The Clerk:**

Clause 1

Short title

Clause 2

Amendment of section 37 of the Police Law (2005 Revision) – Detention of persons arrested without warrant

**The Chairman:** The question is that Clauses 1 and 2 do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clauses 1 and 2 passed.**

**The Clerk:** A bill for a law to amend the Police Law (2005 Revision) to make changes to the provisions relating to the detention of suspects; and for incidental and connected purposes.

**The Chairman:** The question is that the Title do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Title passed.**

#### The Prisons (Amendment) Bill, 2005

##### Clauses 1 through 4

**The Clerk:**

Clause 1

Short title

Clause 2

Amendment of section 31A the Prisons Law, 1975 – release on licence

Clause 3

Insertion of Schedule

Clause 4

Transitional

**Hon. W. McKeeva Bush:** Madam Chair, we were wondering whether the House is satisfied that in this matter where we are talking about five-ninths of a sentence, which is 55 percent of a sentence . . . for instance, when you look to the Schedule under offences, we are talking about defilement of a girl under 12 and the defilement of a girl under 16. I wonder if we are satisfied to say (if I am correct in understanding this) that to become eligible [for parole] a person can only serve 55 percent of their time? a little bit more than half of their time.

We have seen some very ugly cases here and I am wondering whether we are satisfied that is what we want.

**Hon. George A. McCarthy:** Madam Chair, the question posed by the Honourable Leader of the Opposition is very relevant and, I would say, welcomed at this time. What should be borne in mind, [is that] parole is not a right, but a privilege, and as a consequence it does not necessarily mean that when a person reaches five-ninths of his or her sentence and appears before the Parole Board that it is an automatic granting of the parole or license.

The way it is operating now (under the Law as it stands prior to this amendment), it is one-third. Usually, when most persons achieve that level of time, having demonstrated good behaviour, they would be allowed out of the prison on parole. The five-ninths takes it above one half of the sentence but below two-thirds, which is the time at which remission is normally allowed. This is why five-ninths has been set there, but in order for an inmate to qualify for parole he or she will have to meet the conditions of good behaviour. If someone is sentenced for a period of six years, normally one-third would have entitled that person to be out on parole after a period of twenty-four months. We are now saying five-ninths, which takes it to forty months which makes it three years and four months. If we were to take two-thirds of that (which would be the period at which remission would be granted), that would take it to a period of forty-eight months, which, in effect, would be four years.

It is a differential of eight months between the forty and the eight, which is three years and four months and the four years; whereby, previously, the inmate would have been entitled to be out on parole after a period of just two years. So, we see that there is a big differential between what was previously twenty-four months and the now forty months.

**Hon. W. McKeeva Bush:** Madam Chairman.

**The Chairman:** Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** I hear what the Honourable Chief Secretary is saying, but we are still leaving it up to a Parole Board. This is what I am concerned about.

We do not need to sit here this morning and rehash all that was said in much passion yesterday about the sick people that we have in our community. We do have sick people (and when I say "sick", sick in the head).

I would not leave it up to the Parole Board. I would prefer to set a different minimum. That is me asking this Committee, the Government has the majority and I do not know what they want to do.

**The Chairman:** Honourable Leader of the Opposition, are you prepared to propose an amendment, or are you requesting—

**Hon. W. McKeeva Bush:** I am saying that I am not satisfied with it, and if they put it in the legal jargon I would move it, but I do not know whether the Government would support it. I certainly am not going to support this, let me put it that way.

**Hon. George A. McCarthy:** Madam Chair.

**The Chairman:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Chair, if you would allow me, I should mention that I hear the concerns as expressed by the Honourable Leader of the Opposition and it is quite likely that these concerns are also being mirrored by other honourable Members. I should point out that the Government is now undertaking a comprehensive review of the parole system. In fact, Mr. Chris Gibbard, the prison advisor, will be visiting Monday of next week. This is a matter that will be looked at very carefully.

In addition to the parole entitlement, we will be operating differently from what took place in the past in that there will be a certain level of training. We will also be ensuring that persons who are appointed as a part of the Parole Board will also be exposed to the operation of parole systems in other jurisdictions in the United Kingdom and elsewhere. We will be looking at this very carefully.

In terms of the comprehensive study that will be carried out by the Government in terms of the penal system, what we have in front of us may not be the ideal provision but at least in the interim it increases the level of penalty for the committing of vicious crimes and it can be further amended or modified based on the evidence that will emerge or the further study that will be carried out.

**Hon. W. McKeeva Bush:** Madam Chair, I do not know if that is resistance to what I am saying . . .

I hear what the Chief Secretary is saying but I do not know about the study on crime—I hear something bandied about that Government is going to be doing some kind of a study on crime. We did that some time ago.

This raft of laws has come because we have a particular situation in the Island—murder being one.

I want to say something here: if the group had succeeded in doing what they set out to do a few weeks ago with the Attorney General, they would have gotten 10 years, 12 years. Pass this law and they would be eligible to come out in five. This is what we have been saying. We are just too lenient. We pass these laws, and then we give them an opportunity to have parole. They come out in five years and five months, maybe less. I do not think we are doing the right thing. We are not sending the right message.

I said yesterday that the programmatic swing and the mood of the people, and what we want and what we are trying to do—we cannot be that way. We cannot want it, and then not want it. We have to be sure that we are putting something here that they will look at and say, “*Boy, you know, I am not going to do this.*” There is nothing else besides these laws. They will do it, and go to prison if they get caught. They will take that chance and say “*We might not get caught but if we get caught we will serve a couple of years and come back out*” and perhaps do the same thing again. We do not know.

I really believe that setting this time for drug trafficking something as serious as cocaine—that is destroying us—if you want to say you are going to make them eligible for parole after four years, or five or ten years and you do not know who you are putting there (which bleeding heart you are going to put there) to say he is good and can come out after two or three years—attempted murder and exporting a controlled drug. We know all the drugs that come here are not sent for Cayman they are transshipments as well. We know that by the quantities that we hear about. So why are we saying that we are going to make them eligible after a few years?

**Hon. George A. McCarthy:** Madam Chair.

**The Chairman:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Chair, I should point out that if the House is mindful to increase the period from five-ninths there would have to be two amendments: First, the remission period (which is normally two-thirds) is normally set at a higher threshold than the parole period. For example, in this instance the remission period (this is when a person would be entitled to be released without being recalled, unlicensed, that would be forty-eight months. The parole period in this instance would be forty months. So both aspects would have to be looked at because this would then create a difficult situation to address where we have the parole fixed at a time period that is much higher than the remission period.

This is something that would have to be looked at in tandem. I am not pretending to be versed in law, and it is quite likely that the Honourable Second Official Member may have a view on it, I do not know if he would want to expand on what I have said.

**Hon. Samuel W. Bulgin:** Not much except that I share the observations that for an adjustment to be made to the five-ninths and for the earliest release date remission period to remain in full there would have to be a consequential adjustment of that. That in itself requires somewhat of a substantive amendment to section 29 of the Prison Law.

We did take that into account when the Bill was debated and approved by the Governor in Cabinet. Now that it has been canvassed again on the floor of this honourable House it is clear that there are more than passing concerns. It will have to be looked at as part of this study that the Honourable Chief Secretary spoke about earlier where not only the five-ninths threshold is revisited, but also the issue of the two-third eligibility period for earliest release without any conditions.

The whole idea, Madam Chairman, is that the earliest release date means that once a person has served two-thirds of their sentence, they are released unconditionally—even if they transgress after that they cannot be brought back into prison. Whereas, if they are released on licence (or parole as we know it) and they transgress during that period, because it is conditional, they can be brought back and be made to serve the remainder of the sentence.

There is a reason for keeping the incentive for a person to want to be paroled. There is also a reason to want to keep the earliest release date, because conventionally it is expected by international standards.

Any amendment to the five-ninths now would require a sort of further knock-on (for want of a better word) amendment to section 29, the remission period, so as to keep the sort of disparity. It is not something that I think that can be done in a Committee Stage amendment given the wider policy implications. But it ought to be looked at and so will be undertaken during this review that is being conducted as we speak. Thank you.

**Hon. W. McKeeva Bush:** Madam Chairman.

**The Chairman:** I recognise the First Elected Member for Cayman Brac and Little Cayman, who has been trying for the last fifteen minutes.

First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O’Connor-Connolly:** Thank you, Madam Chair, I appreciate that. I believe that the Leader of Government Business seems to be waiting on that same point. If it is not, then I would go on; otherwise it would be more in tandem if he went first.

**The Chairman:** We have to give each Member that would like to say something an opportunity. If we are going to follow those persons who have caught my eye, I will call on the Second Elected Member for

West Bay—unless you would like to give way to the Leader of the Opposition.

*[Inaudible interjection]*

**The Chairman:** Pardon?

I said I am going according to the persons that caught my eye and the next person would be you, if you still have your comment. Or would like to give way to the Leader of the Opposition?

**Mr. Rolston M. Anglin:** Madam Chairman, I understand what the Second Official Member said. Perhaps it might be useful at this juncture for the Honourable First Official Member to inform the Committee: In regard to the study you are talking about being done, what is the time line for that?

**The Chairman:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Chairman, we are hoping that the study will be concluded within a thirty-day period.

Let me just mention, Madam Chairman, having taken on responsibility for the prisons within the Portfolio, this is an area that falls outside of my expertise. One of the things that I do not like to do is pretend knowledge. But I do recognise that I am a part of this community and I also have to take into account the sensitivities within the community. I know at this point in time there is a great concern within the community in terms of what is happening in regards to the heightened increase in criminal activities. On the other hand, this would have to be balanced.

We are looking at the effects in criminal activity. We need to establish the causes, and, in this regard, we have created a position in the Portfolio under the caption of Principal Policy Advisor to look at the operations of penal institutions in the Island and to study the behavioural patterns of persons who want to engage in such a lifestyle. At the end of the day we want to achieve rehabilitation and reintegration of such individuals into society in a way that is balanced where these individuals are reformed. A person can go off track but it is important to get these individuals back on track.

We are looking in terms of the procedures and practices that are tried and proven elsewhere, and this will be done in tandem with the study that has been commissioned by the Honourable Second Official Member in terms of the expert coming in from Barbados. It also means looking at reports that were done previously that there were no actions carried out against those reports as such. What is important (as was mentioned last night) is that a holistic approach will have to be taken.

As was pointed out (and I know that I am digressing a bit but if you will permit me) we are concerned in terms of the individuals that are committing the criminal activities and, yes, we want to send a

message to say that these are actions within our community that are not going to be condoned. But we have to say to society at large, when someone comes out of Northward Prison, or Fairbanks, or elsewhere, they should be given an opportunity within the community. If they show up at an establishment to obtain employment, first of all, they are stigmatised because of the fact that they have spent a period of time in prison.

The entire community will have to work together to achieve reintegration. At the same time we are saying to these individuals we are not condoning or endorsing your behaviour.

I have been to the prisons, and I have seen individuals there as young as my children. I do not know if they are repentant or otherwise, but the idea is that we want to send a message to them that there is a need to reform their ways and to become reintegrated into society. At the same time, we recognise that there are certain individuals who will not make this change and the system will have to make arrangements to cope with them.

When we look at the sentencing pattern we have here, it is not an immediate answer. It is only part of the solution being considered. Since we do not have the facts in front of us, I ask for the indulgence of honourable Members to allow for the study to be carried out so that I can bring back a meaningful report to this Legislative Assembly (one that is endorsed by the Government) and be able to say, based on the findings emerging from the study that would have been carried out and also the procedures and practices that have been observed from elsewhere and what seems to be working, the sentencing issues of the Government (for example, the five-ninths) may not be as harsh as they should be and probably should be made more onerous.

**Mr. Rolston M. Anglin:** Madam Chairman.

**The Chairman:** Do you have a follow up question?

**Mr. Rolston M. Anglin:** Yes, and I am going to try and make sure that my follow up does not get us to the point where we are rehashing the debate because I can see that you are getting concerned on that point. So am I.

However, when I look at the Schedule, I find it very difficult to accept that a person becomes eligible for parole after five-ninths of their sentence. When I look at drug trafficking, importation and exportation of drugs, rape, indecent assault on a female, defilement of a girl under twelve, defilement of a girl under sixteen, manslaughter, attempted murder . . . a lot of these fall within what is being proposed here. Some of these are crimes that are not only heinous but crimes that indicate some real troubling individuals.

I heard what the Honourable First Official Member has said and I think that every Member of this House wants reintegration. But let's be real.

When you go to jail for the defilement of a girl under twelve then society has a real difficulty, especially in cases where we talk about older people, not people of like age or juveniles where it becomes a different issue. And drug trafficking. Where we will be able to get to on this point right now I am not sure. Perhaps taking a break to think about it if that would assist in achieving what we are seeking to achieve.

As the Leader of the Opposition has said, at the end of the day we not only have the issue of who sits on the Parole Board and how sensitive they are to the issues, but we have to understand that when these persons appear before the Parole Board how “good” some of them are. And you know what I mean when I say “good”—they are some of the best actors the world has produced, when they give those stories that bring tears to the eyes.

I just think there are some of these that really need to be reconsidered. I also believe that as part of the study, perhaps there might be a thought process that involves having this Schedule broken out and the ratios that you have to serve before becoming eligible for parole be [made] different for different types of offences. I think, at the end of the day when society looks at some of these, they see them as very being different types of offences in terms or how society sees itself having been violated.

**The Chairman:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you. Madam Chair, I wonder if we might consider proceeding in this manner: The study is eminent, and will be completed very shortly. The person has been engaged, and I think it is just a matter of doing this. Might we be able to allow this amending bill to proceed as is with a commitment from the Government that as soon as the study is completed then all Members of the Legislative Assembly will get together and go through this issue specifically with whatever empirical data is available with a view to coming to consensus on any amendment that is deemed to be necessary at that point (which would be within a ninety-day period) can be handled in that fashion.

We are quite prepared to give that commitment.

The reason I suggest this way forward is because if we do not do it that way now, and seeking the correct answers we might not be 100 percent sure of where we are going to do any variation to this as it is. As I hear from the Second Elected Member for West Bay, we may not be speaking about the same punishment being meted out for specific crimes which are being addressed in this amendment and that might want to be separated also.

If we give this Commitment, which means that within the next meeting of the House we would be able to deal with it, would Members be satisfied moving forward in this way?

**The Chairman:** Honourable Leader of the Opposition.

**Hon. W. McKeever Bush:** Madam Chairman, I do not know if another study on crime is needed, but we know that we cannot stop that and I do want something to be done. I am not here to be a block, but I certainly feel that something needs to be done immediately.

Just last week we had another rape. We do not know when another one is going to occur. I am not going to delay this so the Government can propose a way forward. The Leader of Government Business has said that he will come back shortly, and I will wait to see what happens. I prefer that we do something immediately. Outside of that happening, the next best act is the promise to come back later.

**The Chairman:** First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Chair.

With reference to section 2(1)(c) . . . if you would permit me to first make a comment to try and make it clear to my Honourable friend. Basically, it seems like an attempt was made to move some of the discretion from the Governor or Parole Board as it relates to subparagraphs (a) and (b), whereas when we compare it to (c) “of the convicted prisoner serving a sentence of life imprisonment or being detained during the Governor’s pleasure at any time.”

Perhaps the Second Official Member might assist me. I wonder whether it is permissible for a mandatory minimum to be put in place as well so that we do not have any governor exercising his discretion at what “John Public” would deem an unreasonable time for a murderer.

**The Chairman:** Honourable First Official Member as this Bill is being piloted by you, do you care to pass this on to the Honourable Second Official Member or would you prefer to answer yourself?

**Hon. George A. McCarthy:** Madam Chairman, I am happy to defer to the Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Chairman, the Honourable Member from Cayman Brac and Little Cayman is very insightful. This issue has occupied the Government’s attention in the last couple of months and we can confirm that we are aware that it is an extremely sensitive issue. It is one that was recently canvassed again; it is going to be looked into in depth. There is any amount of views on this issue so all of that has to be taken into account. It is a matter that will at some stage have to be revisited. It has not escaped the Government.

**The Chairman:** First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Madam Chairman, I wonder if the Honourable Second Official Member could clarify and/or confirm when he refers to 'any amount of views' would that include a particular view from the UK or any other human rights commission?

**The Chairman:** Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** A view from the UK to the extent that the UK clearly has international obligations which should help to inform some of the things that we do. We have our own local circumstances, which also has to be factored into the equation. As I sit here I cannot tell you that there is any consensus in terms of the various views on this matter, hence the reason why an informed approach has to be taken in looking at it.

**The Chairman:** The First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Through you, Madam Chair, if the Honourable Second Official Member could confirm whether my understanding of what he just said is correct—he went in a roundabout way, which is not his usual side of responding—is he saying that the UK approach is perhaps more liberal than the local approach, hence the delay in consensus to the policy.

**The Chairman:** Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Chairman, the Honourable Member noted that I have been a bit circuitous in my response. That is deliberate. The fact is that I prefer not to say where the balance of opinion lies at this stage. Suffice it to say that there are differences of approach and differences of opinion on how this issue should be handled, so care has to be taken in dealing with it.

**The Chairman:** The question is that Clauses 1 through 4 do form part of the Bill. All those in favour please say Aye.

**Hon. W. McKeeva Bush:** Madam Chairman, at the risk of getting you irritated, can I ask what is the decision in regard to this? I know what the Leader of Government Business said, and I know what I said. But what is the Government accepting?

**The Chairman:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** As we understand it from this side, the amending Bill is going to proceed through Committee Stage and safe passage at this point in time, with a commitment from the Government that within ninety days, and with more evidence at hand, all Members will be consulted to look again at this particular amending Bill with a view to gaining consensus as to the way forward.

**The Chairman:** Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Chairman, we have concerns in regard to some of what has been said by the Honourable Second Official Member, the Attorney General—it gives me greater concern because even though the Government is coming back, they might come back and say that we cannot do this and I would not have chance to vote 'no' if I wanted to. Hopefully by what the Minister is saying we might get a chance to have it before us again.

There are still concerns in regard to the aspect of what the UK is going to tell us in regard to the matter of life sentences.

**The Chairman:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** If I understand what the Leader of the Opposition is saying, he is dealing with both points. The commitment I gave was dealing with the first point that was raised. The Opposition can decide which way they wish to go, but the commitment will remain the same on the first option. If we want to speak about the second point raised by the Honourable First Elected Member from Cayman Brac and Little Cayman, if that is the desire to include that within that discussion then we have no problem with that.

My commitment was dealing with the first issue. If we want to deal with both issues like that I can assure the Leader of the Opposition that as of now there has been no communication from London regarding that second matter towards anything finite.

**The Chairman:** Honourable Leader of the Opposition I need to know if you are now satisfied or if the Opposition would like us to leave this Bill in Committee, return to the House to deal with those that have been completed in Committee Stage—which would give you time to draft an amendment as you would like to see this Bill amended then let us put it Committee.

**Hon. W. McKeeva Bush:** That would waste more time, Madam Chairman. You can hear that the Government is not going to agree to move this forward. They would rather wait on that crime study.

I am not going to waste any more time. I just want to say in regard to what the Leader of Government Business has said, I have my concerns. And



while he might say that they were not approached, and that there has been no communications from London about the matter of 1(c), I can say that we were approached as a Government and we told them no. Life is life, that's how we felt, and if they wanted to do anything about it, well, they would have to do something about it but we were not going to change.

Now, I think this is a roundabout way of getting to that, but I am not going to support that either.

**The Chairman:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Just to sum it all up, I think it would be accepted that at least this amendment during the interim would make the situation more onerous than obtains now, and rather leave it in limbo we move through with the amendment until such time as we have committed. I would hope that the Opposition would see the merits in that proposal.

**The Chairman:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Chairman, I endorse the position of the Honourable Leader of Government Business.

**The Chairman:** The question is that Clauses 1 through 4 do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes and Noes.**

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

**Agreed: Clauses 1 through 4 passed.**

**The Clerk:** A bill for a law to amend the Prisons Law 1975, to change the eligibility requirements for release on licence; and for incidental and connected purposes.

**The Chairman:** The question is that the Title do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Title passed.**

**The Chairman:** The question is that the Bills be reported to the House. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed that the Bills be reported to the House.**

**House resumed at 11.19 am**

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

## REPORTS ON BILLS

### The Firearms (Amendment) Bill, 2005

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to report that a Bill entitled the Firearms (Amendment) Bill, 2005, was considered by a committee of the whole House and passed with two amendments.

**The Speaker:** The Bill has been duly reported and is set down for Third Reading.

### The Bail (Amendment) Bill, 2005

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to report that a Bill entitled the Bail (Amendment) Bill, 2005, was considered by a committee of the whole House and passed without amendment.

**The Speaker:** The Bill has been duly reported and is set down for Third Reading.

### The Court of Appeal (Amendment) Bill, 2005

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to report that a Bill entitled the Court of Appeal (Amendment) Bill, 2005, was considered by a committee of the whole House and passed without amendment.

**The Speaker:** The Bill has been duly reported and is set down for Third Reading.

### The Criminal Procedure Code (Amendment) Bill, 2005

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to report that a Bill entitled the Criminal Procedure Code (Amendment) Bill, 2005, was considered by a committee of the whole House and passed with one amendment.

**The Speaker:** The Bill has been duly reported and is set down for Third Reading.

#### **The Evidence (Amendment) Bill, 2005**

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to report that a Bill entitled the Evidence (Amendment) Bill, 2005, was considered by a committee of the whole House and passed without amendment.

**The Speaker:** The Bill has been duly reported and is set down for Third Reading.

#### **The Information and Communications Technology Authority (Amendment) Bill, 2005**

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to report that a Bill entitled the Information and Communications Technology Authority (Amendment) Bill, 2005, was considered by a committee of the whole House and passed with two amendments.

**The Speaker:** The Bill has been duly reported and is set down for Third Reading.

#### **The Penal Code (Amendment) Bill, 2005**

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to report that a Bill entitled the Penal Code (Amendment) Bill, 2005, was considered by a committee of the whole House and passed with one amendment.

**The Speaker:** The Bill has been duly reported and is set down for Third Reading.

#### **The Police (Amendment) Bill, 2005**

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to report that a Bill entitled the Police (Amendment) Bill, 2005, was considered by a committee of the whole House and passed without amendment.

**The Speaker:** The Bill has been duly reported and is set down for Third Reading.

#### **The Prisons (Amendment) Bill, 2005**

**The Speaker:** The Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, I beg to report that a Bill entitled the Prisons (Amendment) Bill, 2005, was considered by a committee of the whole House and passed without amendment.

**The Speaker:** The Bill has been duly reported and is set down for Third Reading.

### **THIRD READINGS**

#### **The Firearms (Amendment) Bill, 2005**

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to move that the Firearms (Amendment) Bill, 2005, be given a Third Reading and passed.

**The Speaker:** The question is that a bill shortly entitled the Firearms (Amendment) Bill, 2005 be given a third reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. The Firearms (Amendment) Bill, 2005, given a third reading and passed.**

#### **The Bail (Amendment) Bill, 2005**

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to move that the Bail (Amendment) Bill, 2005, be given a Third Reading and passed.

**The Speaker:** The question is that a bill shortly entitled the Bail (Amendment) Bill, 2005 be given a third reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

**The Speaker:** The Ayes have it

**Agreed. The Bail (Amendment) Bill, 2005, given a third reading and passed.**

#### **The Court of Appeal (Amendment) Bill, 2005**

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to move that the Court of Appeal (Amendment) Bill, 2005, be given a Third Reading and passed.

**The Speaker:** The question is that a bill shortly entitled the Court of Appeal (Amendment) Bill, 2005, be given a third reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

**The Speaker:** The Ayes have it

**Agreed. The Court of Appeal (Amendment) Bill, 2005, given a third reading and passed.**

**The Criminal Procedure Code (Amendment) Bill, 2005**

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to move that the Criminal Procedure Code (Amendment) Bill, 2005, be given a Third Reading and passed.

**The Speaker:** The question is that a bill shortly entitled the Criminal Procedure Code (Amendment) Bill, 2005, be given a third reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. The Criminal Procedure Code (Amendment) Bill, 2005, given a third reading and passed.**

**The Evidence (Amendment) Bill, 2005**

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to move that the Evidence (Amendment) Bill, 2005, be given a Third Reading and passed.

**The Speaker:** The question is that a bill shortly entitled the Evidence (Amendment) Bill, 2005, be given a third reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. The Evidence (Amendment) Bill, 2005, given a third reading and passed.**

**The Information and Communications Technology Authority (Amendment) Bill, 2005**

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to move that the Information and Communications Technology Authority (Amendment) Bill, 2005, be given a Third Reading and passed.

**The Speaker:** The question is that a bill shortly entitled the Information and Communications Technology Authority (Amendment) Bill, 2005, be given a third reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. The Information and Communications Technology (Amendment) Bill, 2005, given a third reading and passed.**

**The Penal Code (Amendment) Bill, 2005**

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to move that the Penal Code (Amendment) Bill, 2005, be given a Third Reading and passed.

**The Speaker:** The question is that a bill shortly entitled the Penal Code (Amendment) Bill, 2005, be given a third reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. The Penal Code (Amendment) Bill, 2005, given a third reading and passed.**

**The Police (Amendment) Bill, 2005**

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to move that the Police (Amendment) Bill, 2005, be given a Third Reading and passed.

**The Speaker:** The question is that a bill shortly entitled the Police (Amendment) Bill, 2005, be given a third reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. The Police (Amendment) Bill, 2005, given a third reading and passed.**

### The Prisons (Amendment) Bill, 2005

**The Speaker:** The Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, I beg to move that the Prisons (Amendment) Bill, 2005, be given a Third Reading and passed.

**The Speaker:** The question is that a bill shortly entitled the Prisons (Amendment) Bill, 2005, be given a third reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

**Mrs. Juliana Y. O'Connor-Connolly:** Abstain.

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

**Agreed by majority. The Prisons (Amendment) Bill, 2005, given a third reading and passed.**

**The Speaker:** Proceedings will be suspended for fifteen minutes.

Proceedings suspended at 11.29 am

Proceedings resumed at 11.56 am

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

## MOTIONS

### Government Motion No. 5/05

#### Amendment to the Development Plan 1997

**The Speaker:** I call on the Honourable Leader of Government Business, the Honourable Minister responsible for District Administration, Planning, Agriculture and Housing.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. I beg to move Government Motion No. 5/05 entitled Amendment to the Development Plan 1997, and with your permission I will read the Motion.

**The Speaker:** Go ahead.

**Hon. D. Kurt Tibbetts:** The motion reads:

**WHEREAS** in August 2002, the Central Planning Authority received an application for the rezoning of Registration Section, West Bay Beach South, Block 12D, Parcels 32 and 33 from a mix of Mangrove Buffer, Low Density Residential and Neighbourhood Commercial to Hotel/Tourism and Marine Commercial;

**AND WHEREAS** at a meeting of the Central Planning Authority dated 25<sup>th</sup> September 2003 the Authority resolved to proceed with the amendment to the Plan, to wit:

To change the zoning of Block 12D, Parcel 32 and 33 from Mangrove Buffer, Low Density Residential and Neighbourhood Commercial to Hotel/Tourism and Marine Commercial;

**AND WHEREAS** in accordance with section 11 of the Development and Planning Law, Public Notices of the Authority's intention to amend the Plan were published in the *Cayman Compass* on the 9<sup>th</sup>, 11<sup>th</sup>, 16<sup>th</sup> and 18<sup>th</sup> of October 2002 and further the proposed amendments were on public display at the Planning Department from 9<sup>th</sup> October through 20<sup>th</sup> December 2002;

**AND WHEREAS** sixteen objections were received within the statutory period of two months and the matter was referred to the Planning Appeals Tribunal who later resolved to refer the matter back to the Central Planning Authority and advised that the rezone could be considered;

**AND WHEREAS** on 16<sup>th</sup> December 2003 the Central Planning Authority reconsidered the application and resolved to recommend that the rezoning be forwarded to the Legislative Assembly for approval;

**AND WHEREAS** on 23<sup>rd</sup> August 2005, Cabinet approved the rezoning application and further that the matter be referred to the Legislative Assembly;

**BE IT NOW THEREFORE RESOLVED THAT** in accordance with section 10 (2) (b) of the Development and Planning Law (2003 Revision), the Central Planning Authority hereby recommends and submits to the Legislative Assembly the following proposal for alteration to the Development Plan 1997, a summary and map are attached hereto, and the Legislative Assembly hereby makes the following alterations, additions and amendments to the Development Plan 1997, in accordance with the said summary and maps, which shall come into force seven days after the passing of this Resolution:

Registration Section, West Bay Beach South, Block 12D Parcel 32 and 33, be rezoned from Mangrove Buffer, Low Density Residential and Neighbourhood Commercial to Hotel/Tourism and Marine Commercial.

**The Speaker:** The Motion has been duly moved and is opened for debate. Does the Honourable Mover wish to speak thereto? Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Just a brief summary of the application, Madam Speaker.

In August 2002 the Central Planning Authority received a rezoning request from Limestone Investments Ltd. regarding the above noted lands. The subject parcels have a combined total of some thirty-six acres and are situated between the Hyatt Regency Resort and the Cayman Shores Development and have direct access to the North Sound as well as road frontage on the Esterley Tibbetts Highway. The proposal calls for the parcels to be rezoned from the current mixed zonings, as stated in the Motion, to a zoning of hotels, tourism and marine, commercial.

The subject properties have been cleared and have approval for a twelve-lot residential subdivision. Further, a canal with access to the North Sound has been constructed. In support of the proposal the applicant has advised that there is a possibility that the subject parcels will become part of the Britannia Development.

The Central Planning Authority (CPA) originally considered this application on 25<sup>th</sup> September 2002, and resolved to initiate the rezoning process in accordance with section 11 of the Development and Planning Law (2003 Revision). The application was then advertised in the *Caymanian Compass*, as per requirements of the Law, and the proposed amendments were on public display at the Planning Department during the period announced in the Motion.

Sixteen objections were received, as the Motion states, within the statutory period of two months.

At a meeting held 8 January 2003 the CPA resolved to advise the Ministry of Planning, Communications, District Administration and Information Technology to convene a tribunal to consider the objections. On 23 October 2003 the Appeals Tribunal Report was received, which resolved to support the rezoning proposal and to refer the matter back to the CPA. The CPA then, at a meeting on 16 December 2003, again considered the application in light of the public review process and further resolved to recommend that the Ministry of Planning, Communications, District Administration and Information Technology forward the application to the Legislative Assembly for adoption.

On 23 August 2005 Cabinet approved the rezoning application and resolved that the matter be referred to the Legislative Assembly, hence the Motion.

I believe that explains the chronological sequence of events to get the application to this point.

Thank you.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? Does any other Member wish to speak? If no other Member wishes to speak, does the Honourable Mover wish to exercise his right of reply?

**Hon. D. Kurt Tibbetts:** Just to advise Members that we have been advised by the Department of Planning that all the relevant legislative provisions have been complied with regarding advertisements and public display and after Cabinet's approval it was deemed that because this application was pending for a couple of years that we move it forward to seek safe passage through the Legislative Assembly. Having heard no comments from Members I am assuming support for this and I recommend it to this honourable House. Thank you.

**The Speaker:** BE IT NOW THEREFORE RESOLVED THAT in accordance with section 10 (2) (b) of the Development and Planning Law (2003 Revision), the Central Planning Authority hereby recommends and submits to the Legislative Assembly the following proposal for alteration to the Development Plan 1997, a summary and map are attached hereto, and the Legislative Assembly hereby makes the following alterations, additions and amendments to the Development Plan 1997, in accordance with the said summary and maps, which shall come into force seven days after the passing of this Resolution:

Registration Section, West Bay Beach South, Block 12D Parcel 32 and 33, be rezoned from Mangrove Buffer, Low Density Residential and Neighbourhood Commercial to Hotel/Tourism and Marine Commercial.

I put the question. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Government Motion No. 5/05 passed.**

**The Speaker:** That concludes the order of the day but I will recognise the Honourable Leader of the Opposition under Standing Order 31: **"With the leave of the Presiding Officer, a Member may make a personal explanation although there is no question before the House; but no controversial matter may be included in the explanation nor may debate arise thereon."**

Honourable Leader of the Opposition.

## PERSONAL EXPLANATION

(Standing Order 31)

**Arising out of his point of order raised during the debate by the Hon. Minister of Tourism Environment, Investment and Commerce on the Firearms (Amendment) Bill, 2005, on Thursday 13 October 2005**

**Hon. W. McKeever Bush:** Thank you, Madam Speaker.

The Minister of Tourism said in the debate on the amendment of the Firearms Law that the previous administration had broken laws and that the Auditor General's Report would bear this out. He further added that the community was breaking laws because the Government was doing so. In other words, that was one of the reasons crime was on the increase. He referred to the statement he made in Red Bay on the campaign trail and said that he laid this fully on the shoulders of the Leader of the Opposition.

You, Madam Speaker, cleared up that aspect of the matter by saying that the Minister was talking about the Housing Audit. However, we have yet to find out from the police whether any law was broken on the Housing matter.

Cabinet did not micromanage any department or authority or any other Government company. The day-to-day affairs were left to those entities. Certainly we as a Cabinet, including the Honourable Financial Secretary, the Honourable Attorney General and the Honourable Chief Secretary, did not and do not now know of any laws being broken. If he knew of any he certainly would have done something about it.

The Minister of Tourism further added that laws were broken because we failed to go to the Central Tenders Committee on some matters. Madam Speaker, it has been for years the prerogative of any authority to do projects through their own tender procedure. There were those that were referred, as some work or the Port Authority was. The Turtle Farm Board, for instance, chose to do its own tender process. But it was a decision of the Board—of which the then Permanent Secretary, now the Minister of Tourism was a member.

It was a matter that I put to the Board because it was the only way small contractors would have gotten any work. But no law was broken and due process was followed.

Cabinet has for many years had the authority to waive central tender requirements and has done so over many years. It is transparent, accountable and legal.

The Minister of Tourism has said he will be a better friend from now on, so I hope that is the way it will be.

*[Applause by some Members]*

## ADJOURNMENT

**The Speaker:** I will now entertain a motion for the adjournment of this Honourable House.

Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I beg to move the adjournment of this Honourable House until Monday, 17 October 2005, at 10 am, when debate on the Throne Speech and the Budget Address will resume.

**The Speaker:** The question is that this Honourable House do now adjourn until Monday, 17 October 2005, at 10 am. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**At 12.10 pm the House stood adjourned until 10 am Monday, 17 October 2005.**

**OFFICIAL HANSARD REPORT**  
**MONDAY**  
**17 OCTOBER 2005**  
**10.05 AM**  
*Fifth Sitting*

**The Speaker:** I call on the Fourth Elected Member for George Town to say prayers.

**PRAYERS**

**Mr. W. Alfonso Wright:** Let us pray.

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

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

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

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

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

**Proceedings resumed at 10.08 am**

**ADMINISTRATION OF OATHS  
AND AFFIRMATIONS**

**Oath of Affirmation**  
(Administered by the Clerk)

**Mrs. Cheryll M. Richards**

**The Speaker:** Mrs. Richards would you come to the Clerk's Dias please?  
Shall we all stand?

**Mrs. Cheryll M. Richards:** I, Cheryll M. Richards, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, her heirs and successors, according to Law so help me God.

**The Speaker:** Mrs. Richards I welcome you once again to this Chamber. You may take your seat.

Please be seated.

Honourable Chief Secretary (on a lighter note), you had better be careful there may be a woman coming here to be Chief Secretary shortly!

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

**Apologies**

**The Speaker:** I have received apologies for absence for the Honourable Leader of Government Business, the Honourable Minister of Education and the Honourable Second Official Member who will be away on official business from 14 – 21 October 2005.

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

**The Speaker:** I have received notice from the Honourable Minister of Health to make a statement.  
Honourable Minister of Health.

**Cayman Islands response to the threat of an Avian  
Influenza Pandemic**

**Hon. Anthony S. Eden:** Thank you, Madam Speaker.  
Most of us are aware of the situation in regard to the Avian flu. I wish to update members of this honourable House and the public on the measures being taken to protect the residents of the Cayman Islands against the threat of an avian influenza pandemic.

The United Kingdom, along with many other countries, is taking the global risk of an avian flu pandemic very seriously. This virus has already transcended geographic borders and, as with any communicable disease, the government must ensure that preventive steps are taken to protect our country from

the economic, commercial and social impacts of the disease. We, nevertheless, can all be assured that there is no immediate threat of any possible outbreak of avian flu in the Cayman Islands.

The Overseas Territories Department of the Foreign and Commonwealth Office has contacted our Ministry of Health Services regarding contingency planning, and to inquire in what way they may need to offer guidance and assistance. To this end, we are in a pre-pandemic phase of planning in accordance with the World Health Organization's recommended strategic actions for responding to the threat of an avian influenza pandemic. During this phase action is being taken to strengthen the Cayman Islands early warning system.

**As the Minister with responsibility for Health, I have instructed the Director of Public Health to commence a state of preparedness.** The following steps have been taken thus far:

1. In August 2005, the Ministry of Health Services, through the Office of His Excellency the Governor, forwarded a draft Public Health Contingency Plan to relevant agencies including the Overseas Territories Department of the Foreign and Commonwealth Office in the United Kingdom.

2. In September 2005, the Director of Public Health attended a meeting of National Epidemiologists in the region, at which one of the agenda items was "Flu Pandemic". Information shared at this regional meeting is to be incorporated into the Cayman Islands Draft Public Health Contingency Plan.

3. In October 2005, contact was made with the representative of the Pan American Health Organization stationed in Jamaica. Through this means the Director of Public Health is kept informed of regional arrangements for dealing with threat of diseases.

Madam Speaker, the potential threat of any global outbreak requires that there be a national plan of action that is clear and all-encompassing. The Communicable Disease Surveillance Committee (CDSC), which is a multidisciplinary committee comprising of representatives of the Mosquito Research and Control Unit (MRCU), Environmental Health and Agriculture Departments, Health Services Authority's (HSA) Laboratory, and the Public Health Department of the HSA, will be developing a coordinated approach to dealing with the global threat of the avian influenza pandemic.

Again, I would like to emphasise that there is no immediate threat of any possible outbreak of avian flu in the Cayman Islands. It is important to remember that the Cayman Islands dealt adequately with previous threats such as Severe Acute Respiratory Syndrome (SARS), the threat of Mad Cow disease, and also with possible disease outbreaks after Hurricane Ivan. This is due in part to the responsiveness to possible threats and to effective monitoring systems.

I believe it would be useful for me to provide you with basic background information regarding the

origin and mode of transmission of the so-called "bird flu".

### Background Information

Bird flu is an infection caused by avian (bird) influenza (flu) viruses. These flu viruses occur naturally among birds. Wild birds worldwide carry the viruses in their intestines, but usually do not get sick from them. However, bird flu is very contagious among birds and can make some domesticated birds, including chickens, ducks, and turkeys, very sick and kill them. Bird flu viruses do not usually infect humans, but several cases of human infection with bird flu viruses have occurred since 1997.

Infected birds shed flu virus in their saliva, nasal secretions, and feces. Susceptible birds become infected when they have contact with contaminated excretions or surfaces that are contaminated with excretions. It is believed that most cases of bird flu infection in humans have resulted from contact with infected poultry or contaminated surfaces.

The risk from bird flu is generally low to most people because the viruses occur mainly among birds and do not usually infect humans. However, during an outbreak of bird flu among poultry (domesticated chicken, ducks, turkeys), there is a possible risk to people who have contact with infected birds or surfaces that have been contaminated with excretions from infected birds.

According to recently published reports from the World Health Organization (WHO), although the current avian flu virus strain has not yet mutated to the point where it can easily spread from human to human, since the virus is unpredictable it could fuel the world's next flu pandemic.

Public Health Officials worldwide are concerned that as influenza is a disease with a lot of uncertainty, there is a possibility that the avian influenza virus could mutate or change so that it could infect humans and then spread from person to person, although to date the virus has not yet acquired genes from the human influenza viruses. We are, therefore, looking futuristically at a disease or pandemic which does not presently exist and taking the necessary precautions. Further releases on this subject will be issued by the Director of Public Health.

Thank you, Madam Speaker.

**The Speaker:** Have we handed out copies of the statement?

## GOVERNMENT BUSINESS

**Commencement of Debate on the Throne Speech Delivered by His Excellency the Governor on 10 October 2005; Together with The Budget Address Delivered by the Honourable Third Official Member on 10 October 2005**



**The Speaker:** The motion to debate the Throne Speech and the Budget Address simultaneously was moved and both items are open for debate. Does any Member wish to speak? Does any Member wish to speak? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you Madam Speaker.

After twenty-odd budget debates and throne speeches I could not miss the debate in my role and responsibility as the Leader of the Opposition. I am not prepared to play a waiting game with the Government—most of them are new and should be on their feet quickly after I am through.

The Government, at long last, has produced a Budget. The question is whether its projections can be sustained during these times of economic uncertainty.

Madam Speaker, economic growth does not come about by chance or luck, but it is developed through the implementation of sound economic and fiscal policies. Additionally, an atmosphere has to be created and nurtured to allow inward investment to these Islands. Investors must hear plans that the country has to allow economic growth. They must also feel that the economy is being managed properly to instil a high level of confidence for investors to view these Islands as an attractive jurisdiction for conducting business. The question is whether that is being done.

Crime has reached a level that is totally unacceptable. We had a long debate here and I do not wish to rehash it. I do not think anybody should. But it is really a cliché now. There is no use in us spending tremendous amounts of money and nothing happens. The cliché is that if we do not do something drastic then the Budget would be for naught.

Madam Speaker, I know that those waiting to come after I complete will [ask] the questions they had during the campaign. But of course in a campaign some people do not take cognisance of all the facts, and use what suites them the best and what their audience wants to hear. This is not a campaign anymore and the people of the Cayman Islands know what has been done in the past three and a half years. They knew what we attempted to do, they listened to the House, they heard what the Police had to say, and pointing fingers is not going to help. We will simply wait to see the results of the money spent. I hope that by that time we will not all be dead or the country brought to its knees.

The Planning Department, Madam Speaker, has been a contentious issue. For many years it has been like that. I do not know that the Planning Department can please everybody, but I really believe that they are going too far with some things. I wonder today if the Planning approval process will be fair, whether things are going to be done to assist the chosen few and knock out others; whether, indeed, the whole process will become so cumbersome and

onerous that the barriers to development will become so high that good investors will be driven away—local and foreign.

Good planning is needed, and we must encourage that. But when you have one little acre of land and they are going to make a thirty foot road off of it, then people behind you to the beach, for instance . . . well, that is expensive—yours, because of the lines that are drawn for planning permission and what type of development. They tell you that you have to give the very expensive land in the back, truncate your property making it a whole lot less, and the three or four lots you had for your children you cannot get anymore. I will come back to the reasons why though.

In the Government's campaign promises they said they were going to develop for Caymanians. What we are seeing with this Government is that Caymanians and foreigners are having extreme difficulty with the planning approval processes. We trust that this scenario will change, for the long-term impact for the country's economic growth will be adversely affected.

Another enabler for economic growth in these Islands is immigration. Government has recently appointed a Review Team. The Government has indicated that the immigration process is not working and, in my opinion, we need more clarity on exactly what their main objectives are. If the aim is to protect Caymanians—as we must—then one has to ask what the impact to the business community and all and sundry will be—not just the large businesses, but small businesses and individuals as well. All and sundry.

Economic growth is what has allowed us to have the standard of living that we all enjoy. The question is whether protectionist policies will allow for continued economic growth, or will that destroy the very things that many generations have all worked hard to nurture and develop so that we can be as well off as these Islands are today.

Madam Speaker, we have to be most careful when talking about what is not working in the Government system and look to develop the strategies in these areas to help enhance economic growth. And I am talking about economic growth.

I chose to start my debate with these topics/issues because if the Government does not allow for good economic growth they will not have the revenue to pay for the expenditures needed to help our people. If we do not get the economic growth, we do not get the revenue; then the schools, road programmes, health services—the three main factors in the country—will not have the money. Then the Government can borrow and we do not want to get into spiralling debt where we have to beg the United Kingdom and they manage our budgets for us.

Madam Speaker, the Mandarin Oriental and the Dart projects received impetus and support during our administration, but at the same time the Opposition and their supporters criticised us for development.

Cruise Tourism was developed, and it became an integral part of our economic drivers for the small Cayman Islands water sports operators. It was heavily criticised by the current Leader of Government Business. I will say more about this later.

The Ritz Carlton and the Turtle Farm were also criticised and, of course, as much as the waters could be muddied they were by subtle accusations and by a newspaper that cannot tell the truth. We were constantly criticised about our economic policies and strategies.

I will never forget the speech by the Opposition Leader (at the time) at the launching of his Party. The same type of speech carried into the debate the next year. I will quote from that later on, and how everything was wrong.

The development of the Ritz Carlton and the Dart Project (as it was commonly known) was constantly one of their favourite projects to criticize. I see now that one of their supporters (who was a constant critic of these projects and the United Democratic Party) now sits on one of the Immigration Boards saying that he now has a construction company and wants work from Caymana Bay—a complete three hundred and sixty degree [turn] and [he] is now a proponent of the project. Now that they are the Government they are supporting projects that they vehemently opposed in the past. I hope they give the projects the needed support to move those projects forward.

All of these projects became possible because of the proactive strategies that were developed by our administration to promote investments. Members of the current Government, in particular those that sit on the Government Bench today . . . I do not believe that the Minister of Health took that route. It has now become evident that these projects are the only ones of any size that are allowing for continued economic growth and development in these Islands today.

Madam Speaker, at the time of the inauguration of our Government we inherited a country in a poor financial position. Unemployment was at an all time high and rapidly increasing, the main sectors of our economic wellbeing—our financial, tourism and construction industries—were in a state of rapid decline. Education and available housing for low- and medium-income persons were not adequately serving the needs of our people. Hope and despair were visible on the faces of almost every person. I heard two parents in Foster's standing by the area where they kept the fruits wondering whether they were going to be able to buy some because of not having enough money.

People were having it real tough. So as not to hurt their long-serving staff businesses borrowed just to keep staff working. The civil service could not pay bills and we were concerned at the time that we could not pay civil servants. [There was] despair on the faces of our people. Many people who had helped us

build and enjoy our periods of steady growth left, and others were preparing to follow suit. Madam Speaker, it was not only Hurricane Ivan that made people leave. I never saw more cars lining West Bay Road to be sold by people leaving.

Our administration embarked on the development and institution of overall policies designed to turn the economy around in order that our people and children would be able to continue to enjoy a standard of living to which they had become accustomed. We were resolute that our people and future generations should not suffer from poor and misconceived policies that hitherto had been instituted. Our people deserve a sound and forward-looking economic base which provides proper education, good medical, housing and other essential services normally enjoyed in only the most developed economies of the world.

This was a daunting task, particularly in light of the fact that for the first time since the Great Depression of the 1930's all the world's leading economies were in recession. It is those economies that our people and country depended on for their livelihood. It has been said that if the United States sneezes we catch a cold. I was criticised saying, "*What you are doing is not right, stop blaming it on the world economies.*" Our people were not and are not willing to return to the days of the fishing village, our men seeking employment abroad while the women and children stay at home seeking a living. There should be no doubt about the fact that we were heading, at a very high speed, in that direction in those early years. Added to our troubles, unfair, unjust and questionable policies were being thrust upon us by various international initiatives designed to do severe damage to our economy.

Our country was in trouble and our people—you and I, our children and grandchildren—faced a giant task. The people looked to their representatives to solve the problem and to do so quickly. Innovative though difficult and sometimes unpopular decisions had to be made to turn around the situation, and they criticised us. The policies of our administration centred around our people, our children and the future generations. The benefits of these policies are still bearing fruit, and will for many years. It is this bearing of fruit and a lack of direction and innovative thought amongst those who sought to discredit our policies for their own personal, political benefits which has led to them disseminating so much false information to the people of these Islands.

We soldiered on and dealt with the initiatives, we had our Financial Secretary (now the Honourable Chief Secretary), who was resolute, and staff who were prepared to work with us, and us with them, to ensure that this country was not taken away by OECD and other international initiatives. We fought the good fight! It was not talk. And I was criticised.

The real estate market had significant growth as a result of the policies that removed excessive fees and duties and anti-foreign investment initiatives.

At the time people could not buy apartments, Caymanians who were investing in apartments found it difficult because they could not sell them to foreign people and Caymanians were not yet on their feet to buy them. The real estate market not only generates revenue for the Government (which is used to provide services to our people), it provides significant job opportunities in all aspects of our service sectors, from those who helped to look after our children to artists, restaurants, shops, gas stations and so on.

Madam Speaker, when we removed the excessive fees and duties on these anti-foreign investment initiatives they said that the real estate agent is not cutting back on his commission! That is what they think. To make a sale sometimes you had to take 1 per cent. So real estate companies were cutting back to make it work. No matter what the economy, that is the fact about the real estate industry. You had to go low sometimes to make the sale or somebody else would get it. All good and legal.

There were recent concerns about whether the Government was reinstating the higher stamp duty. I guess this was made even worse when they started to talk about how much they needed to balance the Budget. The Government spoke about this in one of their recent press briefings. But, Madam Speaker, the Leader of Government Business said, and I quote, "The truth is at this point in time there have been no deliberations on the matter."

Then the Minister of Education (I do not know if he is the deputy Leader or what) later said that the issue of stamp duty had in fact been discussed by the Cabinet, but no decision had been reached.

So who do we believe?

Serious contradictions between what the Leader of Government Business says and what the Minister of Education said. Madam Speaker, who do we believe?

Our financial industry, which was also in a severe state of decline and threatened the loss of jobs and the future growth of our country after hard fought battles both on the international and local fronts, returned to a period of significant growth. The employment of highly qualified lobbyists and advisors in Washington and London and a determination by our Administration not to sign away the main pillars of our economy without understanding the implications of what the country was being asked to commit to, and without taking proper and comprehensive advice and without commitments to give us back something while insisting that those asserting the policies would apply the same to themselves . . . all of that has proven correct. But we were criticised by the now Government.

No one can forget the debacle of the Eurobank case. No one!

Madam Speaker, if this administration so much as looks the other way to satisfy any Governor or any foreign official we will ride them into the sunset.

We had to take a strong stand. I was criticised for it, but we took a strong stand. There were those on the Official side that did not bend the knee (perhaps only in prayer), but you can believe that we did not give an inch—and we were right.

There are those who are prepared to protect their economy, as Gordon Brown was doing, while sacrificing poor little Cayman. Yet I was criticised, "*oh you are handling them wrong.*" Handling them wrong? There are witnesses that will tell the truth to know just how much I tried to please them, but because we could not just give in to everything, they fought us every inch of the way.

I am currently writing a book which I hope will be published early in the New Year, and I am going to lay out the full scope and say just how much we were assisted by the Foreign and Commonwealth Office. I cannot forget, when they sent the Baroness here, just how much they tried to pick a fight. They thought they could ruffle my feathers and have us become so discombobulated that we did not get anywhere. We fooled them. In our dealings with them we were always calm, collect and respectful—but firm that the Cayman Islands came first!

Madam Speaker, I know why I was torpedoed in the last General Elections, and I know some that had their hand in it. But God is good, and the enemies that came upon me to eat up my flesh in the distinct of West Bay stumbled and fell and now they are relegated to sitting on the committees of the Government that they said they were not a part of. Ha! Ha!

The Board of Directors of our Monetary [Authority], a key regulatory body recognised internationally . . . and in a short time the Authority delivered the most efficient service to providers in the financial world. I read in one newspaper where someone was saying that there are no policies for the financial industry. Madam Speaker, I know that people would like to see me out of office (that will come in good time), and they would like to throw everything bad on the last Government. But they cannot! I do not know how they can say that there were not good policies in place for the financial industry. We worked and consulted with them and took their direction whenever possible and there are those who still say that you did the right thing, you worked with us, thank you, our businesses has increased. We were determined that our financial industry would maintain its leadership and unrivalled reputation—and it did. It is still in a good position. If we had given in in those early days with what happened at Eurobank this Island would have been finished—they meant to finish us. Anyone not believing that is quite naïve, at best.

Madam Speaker, I continue in this vein of what we accomplished.

I believe in the ITALIC Education System that was being implemented. Our education system was being adjusted to meet the needs of our people who face a growing technologically advanced world. Should our children not be given the tools to compete

in today's globalised atmosphere? As I said the other day, they would be doomed to the position of second and third class citizens. That is why the revamping of the system is so important. It has to be done right and it cannot be rushed in! This is not like going to the papers and just saying something. These are systems that need tweaking, but it has to be done right and no amount of rush and criticism of those now in the system is going to make it better.

With innovative systems being introduced—the IBM Distance Learning Program, the access of our children to computers and to the latest technological advancements, the enhanced training for our teachers—all of our children will have the opportunity they deserve. They will be able to compete in the 21<sup>st</sup> century with training and an educational background that has prepared them as well as anyone else. This is not a new program, it is one that we knew to be good and put it in place.

I listened to the Minister, and, I tell you, I had to cringe when he said that nothing was done. He cannot be so unkind. He cannot be so unkind to present generations nor to posterity. You cannot. There is a God. I pray to him that the revamping of the education system that the present Government is proceeding with will be done right, or else we can kiss the future of our children goodbye. It is a broad statement but it is a fact.

Madam Speaker, the establishment of a leading medical university, which now has over three hundred students and growing, and the admission to that university on scholarship of two residents has made a significant impact to our economy and our society. I would also like to say, whatever was keeping it from moving forward, we supported what was being attempted in Cayman Brac. So let no one try to say that we did not because we did. At that time in the elections things were happening, I wrote to people who were trying to do the transhipment just about that time to say, *"Look, we support this but I have to get it before Cabinet."* So things were happening, and it was just at that time we had the elections—the British timed it right.

Madam Speaker, the planning for the expansion of the Community College and the addition of higher learning institutions and courses was implemented. The College has now been turned into a full University College offering a comprehensive list of four-year degree programmes and courses. This would allow a greater number of Caymanians the ability to gain a tertiary education which would only help with our economic growth and allow individuals to gain from this economic growth.

Madam Speaker, just think back. I am fifty. Just think back. If we had had those kinds of opportunities in our time, and if many more people had them, would the Cayman Islands have been a better place? The number of courses alone that exist at the Community College . . . and we have to say thanks give praise where it is due. Sam Basdeo has worked hard

and without great subsidy from Government, he has made it work. I am proud that we have a president who has done so much in the past to build what we now have.

On every platform I say a few things in regard to education: Parents should see that their children study, they should not watch so much television, they should know where they are and they should avail themselves of that institution, they should attend and take the courses. They have enough time to grow up if they do what is right and keep themselves fit and proper and get a good education.

Madam Speaker, the Health Services has always been controversial—not during our administration, although we have had our share. From the time I can remember in the very old days, the Hospital was a controversial matter. People do not like change. If it was left to me it would have stayed a department of the Government with a good advisory board. That is what Mr. Gore told me after we won the Elections in 1992. He said that this is what we must do. We did not put it back into a department. Over the years Members of the last Government felt that needed to be changed.

**An Hon. Member:** You were leading it.

**Hon. W. McKeever Bush:** Yes, I was leading the Government. But as you would know, Mr. Minister of Communications, you [alone] cannot do everything in your Government. So do you think that I could do everything? Yeah, I know you believe that. You all said that I was a dictator, but now you have to live that life.

They talk about how much money the Health Services Authority has spent. That is not new nor is it news to me. Ernst & Young was given the task of doing a study on the new Airport back in 1989 or 1990, and they told us if you build the Hospital it is going to cost you \$40 million a year. That is not new. I am sure that the present Minister would remember some of those studies. It was a fact! If you want good services, and good people to do the work, you are going to have to pay. You cannot get a good doctor and expect to pay him two thousand dollars a month—your gardener is making that! You cannot get a good hospital administrator and think that you are going to pay him two or three thousand dollars a month. To get good knowledge for the health services you are going to have to pay for it.

Madam Speaker, I do not know that the current Board, with all its good will, is going to do the job. Many people have tried, but there has always been a subsidy of \$12 million, \$15 million, \$20 million. That is not new.

I have to question whether the Leader of Government Business is correct in saying that the Health Services did not have a Budget for two years. I hope that he explains it, because that is not so. If you heard how he described it that day when we spoke on

matters of the Budget—"to their horror they found out that the Hospital did not have budgets for two years." That is not so. I understand that they were behind in their financial statements, and, while that is not right, it has happened in many others. I am not here to defend anything other than the right picture must be given and this Government is going to have their share of problems with it. I know that the Minister knows that.

It will not be because of what was done by the last administration, but because the system has not worked. It has given us good service over the years; they do all sorts of procedures that were not done before. There is a problem with health services and I hope that the Minister is successful in his attempts. Any support we can give him, he will get it because we have to live here. It is not a matter of Government and Opposition, it is a matter that when we go to the hospital we want to know that we are going to get the best treatment.

Madam Speaker, our telecommunication industry was liberalised opening up new investment opportunities and providing savings to our industry and our people with the advent of competition. Government worked very hard to bring lower electrical bills for the people of these Islands. That is something no other Government in the past attempted to even touch. I was criticised for it, but look at where we are [now compared] to where we were. How much better is it?

Madam Speaker, look at what happened when the PPM convinced the people in George Town and Bodden Town that they could do better. We have seen our electrical bills increase by almost 50 per cent. It is ironic—and disastrous to Caymanians today—that the Government has allowed this to happen; they have done nothing to protect consumers in this regard. Caribbean Utilities Company is even charging consumers for losses that they incurred after Hurricane Ivan. I guarantee you, Madam Speaker, no other local company in Cayman has been able to increase prices in order to pay for losses as a result of the hurricane. Madam Speaker, this is totally unacceptable because they are ripping off the Cayman Islands!

I hope that the Minister responsible is going to look into CUC's operations in much more detail, even though CUC supported the PPM in a very big way during the last election.

#### Point of Order

**Hon. V. Arden McLean:** On a point of order Madam Speaker.

**The Speaker:** May I hear your point of order?

**Hon. V. Arden McLean:** Madam Speaker, the Leader of the Opposition is making unfounded accusations that CUC supported the PPM in the last General Elec-

tion. If he is going to make such statements, he has to prove it.

**The Speaker:** Honourable Leader of the Opposition you have made a statement and the Honourable Minister does have a point of order. If this is a statement of fact that you are making, then you need to lay it on the Table of the House.

**Hon. W. McKeever Bush:** What do you want me to lay on the Table of the House?

*[Addressing the Hon. Minister]* Anyway, you're the one that managed it.

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

**Hon. W. McKeever Bush:** Thank you, Madam Speaker. They know that CUC supported them and he should not try to press me any further.

**Hon. V. Arden McLean:** Madam Speaker.

**The Speaker:** Honourable Leader of the Opposition and Honourable Minister of Communications . . . both of you please sit down.

*[Addressing the Hon. Leader of the Opposition]* I have asked you to lay on the Table of this House the facts that you have that CUC supported the PPM Government in a big way.

**Hon. W. McKeever Bush:** Madam Speaker, if you take up their Manifesto you will see a picture of the entire CUC staff "creating better employment opportunities." That is one good indication. But the fact is that I heard with my own ears one of the leading figures there say that we have got the Government that we supported. I do not care who else says anything, I heard him say that. It is obvious that is what was happening!

**The Speaker:** Honourable Leader of the Opposition, could we move away from making these accusations unless we have written proof that CUC supported any Government?

Please continue with your debate.

**Hon. W. McKeever Bush:** Of course I will move away from it, with all due respect to you Madam Speaker. But we know and the country knows it and the picture says a thousand words. I don't need to say any more.

**Hon. V. Arden McLean:** Madam Speaker—

**The Speaker:** I cannot have two Members standing on the floor of the House at one time.

Honourable Minister for Communications.

#### Point of Order

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

On a point of order, the Leader of the Opposition continues to insinuate, because a picture of CUC's employees is in the PPM Manifesto. We do not deny that. But, certainly, there are a number of pictures . . . there is a picture in the PPM Manifesto of Cayman Airways. Is he saying that Cayman Airways supported us?

**Hon. W. McKeeva Bush:** Some of them, yeah.

**Hon. V. Arden McLean:** There are pictures of all the passenger liners in the George Town harbour. Did FCCA support us?

**Hon. W. McKeeva Bush:** Yeah.

**Hon. V. Arden McLean:** There are pictures of buildings within the financial industry in George Town.

**The Speaker:** Honourable Minister—

**Hon. V. Arden McLean:** No, Madam Speaker, these pictures were all taken—

**The Speaker:** Honourable Minister, would you please give me an opportunity?

We are not debating the PPM Manifesto.

Honourable Leader of the Opposition I ask you once again to move away from this accusation.

**Hon. W. McKeeva Bush:** But I have moved away, Madam Speaker.

**The Speaker:** Well, would you please continue with your debate in the vein you were going before?

**Hon. W. McKeeva Bush:** I will continue.

**The Speaker:** Thank you.

**Hon. W. McKeeva Bush:** I just want to give the Minister more time if he needs it to try to clear up that mess.

**The Speaker:** He will have that opportunity in his debate. . .

**Hon. W. McKeeva Bush:** Correct.

**The Speaker:** . . . when he stands—

Honourable Leader for Communications and Honourable Leader of the Opposition. . .

**Hon. W. McKeeva Bush:** Madam Speaker, in finalising this, it is my opinion, from what I have heard and seen that CUC supported you—and supported you to the hilt!

**The Speaker:** That is your opinion—

**Hon. W. McKeeva Bush:** Yes, Madam Speaker!

**The Speaker:** Now please continue with your debate and move away from CUC support.

**Hon. W. McKeeva Bush:** That is the only way they could get what they got.

Madam Speaker, I hope that the Minister is going to pay attention because the 50 per cent increase in electrical charges is one of the things hurting this country now.

Another thing that I hope he is going to look into is these various power surges. I had a technician come look at my fax machine at home and he said that the power surge has killed it. I am not the only one: I have had complaints from various persons over the years about it. I am not blaming this Administration for that, but I am saying these are things that need to be looked into.

We have to have electrical service here and over the years we have had a good electrical service, no one is denying that. When I challenged them they took a pitch at me. I know how much I was cursed when I made them roll back a year or two ago. See if you can get them to roll back.

I recall that we spoke to them about not putting the poles up on the Esterley Tibbetts Highway, and they went ahead and put that ugly sight up there. Do not tell me how much it would cost to put it underground because telephone lines are underground. How do we know that one of the high causes of cancer in this country is not because of the electrical lines? How do we know that? Perhaps this is something that we need to talk about. I hear them say that it is going to cost a lot of money and perhaps it is something that they should start doing bit by bit. Various subdivisions run their lines underground.

While we want the service, there needs to be discussion; and while they have a prerogative because of their license . . . but when you go home in the afternoon you find a light pole planted right where you do not want it. Even if it had to be in your yard, they could put it somewhere else. Right? And even if they had come and said, "*today we are going to put a pole in your yard*" . . . these are the kinds of things that really get on peoples' nerves at times.

Madam Speaker, that electrical charge is uncalled for. But because they knew they could get support for it—they knew that—they went ahead and did what they did and it is costing us. Some people cannot pay their electrical bills.

We also recognise the importance that the environment plays in our lives. Therefore, we did not approve any large scale dredging. We introduced legislation to protect fish such as the Nassau Grouper, lobster and conch, all of which are making a good comeback. We were going even further, by supporting such things as the Kyoto Protocol; but the De-

partment could not agree until certain questions were answered by the United Kingdom. It was being worked on by the Department of Environment. I see that it has been completed and is now being supported. We believe that is a good thing.

Madam Speaker, I told this country and this House that tourism was hard hit by the global economic slowdown and had suffered reduced activity in excess of US\$9 billion on a worldwide basis. But we addressed it by innovative thought and careful programs and we said that it would take time to return to levels we expect. That was in 2001. We said that during the downturn in the world's economy after 2001 we would rebuild all aspects of the tourism product. I made a conscious decision to have strategies developed to enhance that product which would therefore make the destination more attractive in this very competitive market.

These strategies were developed in all areas related to the tourism product, from the restructuring of the department to looking at innovative marketing programs to increase our visibility in the highly lucrative United States market. The marketing programs included print media, television, as well as cross-marketing promotions with partners that had a strong presence in our target market. I was criticised. They told us that we were developing a mass tourism destination because of our cruise ship policy.

The first step I had to take was to remove the glass ceiling for young ambitious Caymanians within the Tourism Department to ensure that we develop a team of people cognisant of the important role that tourism plays in our economy. When we took over at that time the Director of Tourism had all kinds of staff from all over. We said we needed to attract young people out of university—and we did. We have a very good staff complement. Young Mr. Scott works wonders. I am proud of them, and I am proud that we did that. As Minister of Tourism (at that time), I hired The Tourism Company, a UK based research firm, to do a market study with all stakeholders to look at what would be the most attractive and lucrative strategies to develop and enhance the tourism product of these Islands.

In the study, the cruise tourism policy was criticised, but I did not pay it any mind. I have no apologies to make for that, and I will tell you why. I supported cruise tourism because I knew that it could be managed in a sustainable manner by development of the West Bay Dock, the construction of the Royal Watler Terminal facility, the enhancement of the present North Terminal, as well as the enhancement of the Spotts Dock facility—if we put them in motion, as we intended to do. Then we believed that our cruise policy could be sustained and it would be good for the Cayman Islands.

An integral part of our Cruise Tourism Policy was development of a management plan for the North Sound and, in particular, the Sand Bar.

The hurricane stopped the implementation of the Tourism Management Policy (as the Governor stated in the Throne Speech), but we made significant gain. I can list a number of enhancements to our tourism product:

- We supported the development and enhancements to Cayman Brac's tourism product and we recognised to a further degree the value of it after the hurricane.
- We developed a new Immigration Card for visitors and removed the Minister from handling tourism arrival figures prior to being published on the internet. They did not come to me at all (as the Minister). The Minister before me was publishing the numbers himself. We needed a system which was recording the tourism arrival numbers accurately as we could not properly document our success if we did not have proper empirical data to start with.
- The development of the Turtle Farm is the key to our tourism product.
- The new George Town Dock.
- The Jazz Festival.

The partnering with the local art community to increase their exposure internationally by taking them abroad and facilitating them by showing their art work, also assisting the local arts and crafts community by starting all over again the Craft Market to help them sell their products. Shawn Smith was the mover and shaker behind that. It started at the old Almond Tree Restaurant grounds then we went to the streets in George Town. Some of the shops operated out of stores in the park behind the Court House. All of this led to the development of the new craft market. I have been criticised for that but it was done and we cannot change that fact.

- We also developed guidelines for the introduction of a film commission that, done right, we believed was something that could go well for these Islands.

These were just some of the many initiatives that we developed.

I would say that the building of the Royal Watler Cruise Terminal . . . as I said, we had plans for Spotts and plans for the present North Terminal, but before we could develop the present North Terminal we had to have a facility. So we proceeded to try to complete the Royal Watler Terminal. I remember a meeting that we had . . . that we would find the funds to dress up the present North Terminal. Of course, we had the plans to do the West Bay Terminal.

The building of a new cruise dock in George Town and West Bay demonstrated the support from the suppliers and their belief in our policies and benefits from cruise tourism. We knew that the person who was doing the study on tourism did not support it. The Foreign Office even questioned me about the Cruise Tourism Policy because they wanted to do something like Bermuda. But they were giving Bermuda problems too. We believed that the policy was the right one.

The building of the cruise ship docks in George Town and West Bay was supposed to not cost Government one cent to build. They said that this was a bad idea and I was criticised by the "Not News"; criticised by the Leader of Government Business and those that would parrot whatever they said—and they said it was a bad idea, but now they are bringing more.

Madam Speaker, in order to get the FCCA to pay for these initiatives we had to negotiate hard. The FCCA did not just give us the \$18 million to build these docking facilities. I believed (and still do) that these were needed in order to support our cruise tourism policy. We did not get it easy—it was a hard negotiation.

**The Speaker:** Honourable Leader of the Opposition is this a convenient point to take the morning suspension?

**Hon. W. McKeeva Bush:** Yes, very convenient.

**The Speaker:** Proceedings will be suspended for fifteen minutes.

**Proceedings suspended at 11.30 am**

**Proceedings resumed at 11.53 am**

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

Before I call on the Honourable Leader of the Opposition to continue his debate, I have received apologies from the First Elected Member for Cayman Brac and Little Cayman, who is ill.

The Honourable Leader of the Opposition continuing his debate.

**Hon. W. McKeeva Bush:** Madam Speaker, when we took the break we were talking about the gains we had made in the tourism sector. I said that the building of the cruise dock in West Bay demonstrated the support from the suppliers and their belief in our policies and benefit from cruise tourism. It was a hard negotiation to get the \$18 million to build the dock facility.

We were criticised hard about the cruise policy. I want to read from the ECLAC Report, because this report (which was created by an independent United Nations body) was extremely clear that the tourism policies that I implemented were working and that they had to be good for the country. I believe that it is clear vindication that our tourism policies were based on sound strategies.

I read from page 17 of the ECLAC Report, **"Tourism is, with financial services, the major economic sector within the Cayman Islands and contributes significantly to exports, employment and government revenue. The impact of hurricane Ivan, although not severe enough to affect the**

**sector's viability and capacity to host foreign visitors in the 2004 winter season, does have an impact in the overall damage suffered by Grand Cayman and will generate significant losses."**

This is the important part: **"Hurricane Ivan hit when the sector was experiencing a comeback after stay over tourism in the Cayman Islands had experienced an almost continuous decline since 1998. Furthermore, this decline was reinforced after 2001 by the weak economic performance in the USA and the drop in travel following the terrorist attacks in the United States on 11 September. The trend began to reverse in October 2002 and, like much of the Caribbean Region, the 2003/2004 tourist season exceeded the performance of the previous years.**

**"Stay-over arrivals grew by 14.46 per cent over the period January to July 2004 as compared with the same period in the previous year. Expectations for the remainder of the year and for the 2004/2005 season remained strong. Indeed the pre Ivan scenario forecasted total tourist arrivals of about 338,000 people for the year 2004."**

After all of the beating up on McKeeva, and after all the beating up on the UDP, that we had not done what was right and the policies were wrong and the tourism was wrong, and the cruise tourism was wrong, this is good vindication that our policies were based on sound strategies. We had a lot of *"kitchen cabinet"* also in West Bay because you can believe that they knew it all—that bunch that they set up to run against me in West Bay. But the people did not listen to them and the people flogged them soundly and sent them home to now sit (as I said) on boards for the PPM that they said they were not a part of.

Madam Speaker, the Minister has stopped the West Bay Dock. The Turtle Farm redevelopment is a \$40 million project. In order to make this investment viable this needs to have customers. In fact, it needs to have hundreds of thousands of customers. The West Bay Dock was (and I believe still is) integral for the success of the Turtle Farm. In order to make the Turtle Farm a more attractive destination for cruise travellers it is imperative that you have the necessary infrastructure in place to transport the visitors closer to the actual attraction.

Some people said that we should build the dock down by the Turtle Farm so that we would ensure it. When I talked to Misner, and we looked at the place where we were going to put it, they said it could work. Even the present Chairman of the Planning Board, although he criticised it during the Campaign, you can believe that he supported it and wanted to be consulted about it. Of course, he also wanted his land sold (not there, but somewhere else), and that is another story that I have to get into another time. It can be documented.

The West Bay Jetty was developed to provide an efficient means of transporting the thousands of visitors needed to make the Turtle Farm successful.



These two projects are interdependent, and if one is stopped the other will definitely suffer. The West Bay Dock was developed to help the Turtle Farm, but another reason was to decrease the traffic congestion that would be created due to the vast amount of visitors that would have to travel along the West Bay Road.

The Turtle Farm will definitely suffer, and if the revenue projections are not met then I would like to know who is going to pay back the \$40 million loan for this project. I got the FCCA commitment to build the dock. They gave us \$8 million. They even supported the purchase of the lands they knew. They knew that we were going to purchase the land across the way. That had to get that piece, it was integral. They knew it and they supported it.

Of course, much was said about that to the extent that it is now included in my lawsuit against the "Not News."

The Minister should have taken a long look at the successes of Pedro Castle. Perhaps that would have helped him make the right decision on the West Bay Cruise Jetty. I am deeply worried about the viability of the Turtle Farm's \$40 million debt.

I think I read somewhere that the FCCA was not supportive. Not in the first instance, of course. The present Minister knows this because he sat in on most of those meetings. But in the end they supported what we had offered and, in particular, the very last time when we could show them how we were going to ferry the passengers from the West Bay Jetty to the George Town Dock (where the cruise ships were) and how we were even going to utilise that ferry as a scheduled ferry service from West Bay to George Town. We were looking at trying to alleviate traffic congestion. That would have helped tremendously.

We have a lot of congestion now, but how much more are we going to need to bring the [Turtle] Farm back to pay that \$40 million debt? In fact, since the debt was agreed upon and incurred things have gone sky high. We do not know yet where things are, but you can believe that they are going to need even more people than we said at the beginning. We are getting about 300,000 per year or about 25,000 per month . . . and the figure given was something like 440,000–450,000 people needed.

The project will work because it is a good project. The cruise industry supports the Turtle Farm Project and they cannot wait to get it because that is another thing for people to want to go to. But we do have a problem with traffic.

One of the same problems with Pedro Castle is that it never got off the ground. As hard as we tried and the things that we put in place—the last word I heard from the Auditor General on Pedro Castle was that in 15 years time it would cost this Government \$30 million. So we can see where we are heading with these things.

I think the Minister made a wrong decision. There was no need to stop it because we already ne-

gotiated the funds and there was no big cry against it. We had a few PPM Members there, in particular two of their candidates. As I said, one of them supported it—except he went public afterwards saying that he did not. But we know he did. The people of West Bay would have accepted, while there were some that did not support it. But we all have to give something to get something in this island of ours.

I felt good for the cruise industry and, yes, the negotiation was not supportive in the first instance. But what I felt was good for our cruise policy, we negotiated hard to get the needed assistance. And we came out with \$18 million. The Minister—who was the Permanent Secretary then—knows that that was good, and is still good. The FCCA supported it in the final analysis.

The Leader of Government Business beat to hell the Cruise Tourism Policy. Let me read for a few minutes what he had to say in the 2003 Budget Debate. I read from copies of the *Hansard*, and he said, speaking about the Tourism Report: **"The report also acknowledged that the growing imbalance between the two visitor types . . . is one of the overriding issues raised by tourism stakeholders in the Cayman Islands . . ."**

**"Such large volumes of relatively low-spending visitors is seen as a deterrent to stay over visitors as well as cruise ship visitors, seriously diminishing the quality of the experience in George Town and at key attractions, for example, at Stingray City. It is also seen as a major contributor to congestion and the reduction of the quality of life for those who live here."**

**"The current image [and everything I speak here is manifested in the report, he said] associated with the Cayman Islands is one of expensive living overdevelopment, traffic and people congestion notably at the western end of Grand Cayman which is also exacerbated by the cruise ship . . ."**

He went on to say that it **"warned that the short-term strategy of increasing the number of cruise ship visitors to compensate for the loss in stay over visitors was, at best, a short-term and stop-gap measure which is likely to be temporary and which may actually compound the problem in the long term."**

He went on to say, **"It is plain to me that despite the recommendations of the report, the Government seems to have decided that mass tourism is the way to go for the Cayman Islands. Quite frankly, a mass tourism policy for Cayman—I have said this before and will say it again—in the medium and long term is nothing short of lunacy."**

**"The future of the tourism industry and by extension the Cayman Islands, in our view, does not lie in mass tourism."** [2003/2004 *Official Hansard Report*, page 1529] And on and on he went criticizing the Cruise Policy. It is obvious by the ECLAC

Report, a professional Report, that the Leader of Government Business went off half cocked.

Madam Speaker, the PPM's Minister of Tourism has said that the number of cruise visitors for this year will be 2.5 million. That is much more than we had. I am glad that he has kept on that track; do not let them change it.

Now what is the Leader of Government Business going to do about that? Was it bad for me, but good for them?

What about cruise tourists on a Sunday? Was it a bad thing for me to have allowed it but good for them to continue?

Surely, the people of these Islands will not forget the bill of goods the PPM, in particular the leadership, sold them: "*A Government you can trust*" they said. There are gaping holes in what they said they would do and what they are doing.

Madam Speaker, we enhanced the policy by [relieving] congestion in getting the cargo ships to operate in the night to utilise some of that space in the day for cruise tourism. And it works. I was told by one of them that it could not, but it is working.

Madam Speaker, we also built the new Dock, we added tremendously to it. And the crane that could not be used on it before can now be used. I never heard too much about that, but it works.

We had to have a vibrant cruise tourism after awhile, and if we sent it out to the various areas we could handle the numbers. By no stretch of the imagination can we say that we have developed or supported a mass tourism policy. The ECLAC Report points out the reason why, although the PPM was saying that what we were saying was wrong and that what was causing the problem was that no one was travelling.

All the troubles we had—SARS, the wars, the aftermath of September and all of those things—but we kept on target and kept pressing forward, and we knew that although there were criticisms about our product—and, yes, there are things that can be done—we had a strong product, and still do. No doubt the present Minister is going to continue and, hopefully, make improvements. Where they are improvements for good, he will have my support. I am not here to oppose just to oppose so that whenever they call an election the people will be mad at them, I am not going to do that.

In fact, some of the people I hear cursing the PPM now have no right to curse them, because they would curse God if they could. If they cannot get everything, they would curse God. They cursed me. And when the PPM cannot do everything that they want they are cursing them. I am not one that is going to jump around, scream at everything, belittle everybody and make everyone look stupid, I am not about to do that. I have been in this game a long time.

I remember standing on the side of the road in 1968 saying vote for T.W. Farrington. And when the time came that I thought that Benson should have

been elected, I supported him—against the wishes of my family too! And when I thought he should go, I helped get rid of him! And they are still trying to beat me in West Bay. They cannot, because when my enemies came upon me to eat up my flesh they stumbled and fell.

After nearly being decimated the construction industry has returned to good health. New planning proposals increased during our time, and also new construction start-up significantly increased. Employment in that industry surpassed its normal levels. While this industry is key to our economy, due to the fact that we do not have the necessary local resources needed to meet demands, we must manage this in a proactive manner. We should manage the foreign labour force (and I have said this for a very long time) for the construction industry similar to how the United States manages its farm workers' programmes: They are brought when needed, housed properly, paid properly, and when the job is completed they are escorted back home. I do not think that we can continue to run the Immigration Policy for the construction industry as we do for the financial industry. They are two separate things altogether.

Madam Speaker, all these improvements were only possible by our administration and the Government having policies that encouraged investment and a diversified and unified population. Our country in thirty to thirty-five years matured from a relatively unknown place to a world-renowned financial and tourist centre. This was only possible through good planning and the institution of some very good policies. Our policies assisted the country to the extent that at Election Day we could have \$88.4 million in the Government's accounts.

When we started out, the Leader of Government Business in 2000/2001 said that the country was broke. We had \$88.4 million—and that was on top of paying for hurricane assistance and works, and after losing revenue because we cut back to help people. We also lost revenue because we assisted Cayman National Bank and the Cayman National Corporation.

I hear that I was criticised for that too. But Madam Speaker, I will never forget the night that I sat in the Executive Council's room until 9 o'clock to listen to two directors that had come to talk to me. I said it is ironic. Some of these people would do anything to see me dead. They have said all manner of evil against me, and some of them would have loved to see me perish. They still tried it after the elections—my helping them did not matter. They wanted to get my head. But the people of West Bay fixed them, and all the food that they bought and cooked up they had to give away or dump because they could not have an election victory.

I listened and said, "*No McKeeva. As a good leader I you have to do what is right to protect everybody.*"

While the insurance company that I was insured with was going under—and I have lost because it included my mother's place—I said we cannot allow thousands of people that are attached to Cayman National Corporation to go under. I went home and thought long and hard about some of them that had tried to sink me in 1997, and the reasons for it. The world proves today that they were wrong. Any bank that you try to lock down and it is now paying out seventy five and eighty cents you ought to know that they should not have been locked down, but to get to me they did it.

I thought about all of that, Madam Speaker. I tell the public of this country the truth. I went home that night and said, *"No, no. You are not like that. Your mother never raised you, first of all, to be like that and no matter how much you know that they hate you, you have to do what is right for the majority of the shareholders and for all of the shareholders of Cayman National Corporation and try to save that."* We were told that if one was not saved the other was going to be hard pressed to stay on top.

Other people came to me and said, *"Boy we hear what you are doing. Don't do this, let it go."* And I said no.

I had to go to Europe with Cayman Airways business and to look at trying to set up the Investment Bureau in Dubai, and for the first time in my life the doctor put me to bed for one day, because when it was day here it was night there. I was going to meetings all day and on the phone all day because when I left here there were those who tried to take over too and turn around the decision and I had to go all out. The doctor put me to bed for one day, because my blood pressure rose so high, for the first time in my life.

I said, even though Government has taken a hit, we would take the shares and one of these days it will mean something to us and perhaps we can sell it and get some of the money back. But we are not going to allow it to sink. I told the Governor that we already had the majority of Council's agreement so do not let anyone turn this thing around. We cannot allow it to sink.

That was one of the most troubling and trying times during my time as the Leader of Government Business. There are two times that I look back on: that, and the debacle at Eurobank, and all the troubles at the Foreign and Commonwealth Office knowing that they were out for blood and that they would do whatever they could to sink me. But I did what I thought was right for the people of these Islands.

Madam Speaker, for what time I have left, I turn my attention to the Budget from the perspective of how it fits into the long-term direction of this country.

It is my belief that while the Budget sets out the Government's financial estimates and plans for the year it must also satisfy two additional purposes: 1) Each year's Budget must ultimately be part of a

long-term strategy for the Cayman Islands; and 2) the Budget must be realistic and adequately take into account the current state of our economy so that your estimations on your revenue is realistic and sustainable.

I would like to say that when I talked about our Budget and that we produced the first real Budget without any deficit—a balanced Budget—I said (I think I said so) that we had good civil servants who worked hard with us and some of them are sitting here, the Financial Secretary (who is now the Chief Secretary), and the Acting Third Official Member. Let me add that we have a good woman in Government, one that stays all hours of the night to work for this country. I appreciate her Godly and Christian fortitude.

The Financial Secretary worked with us, and I took their advice because he was the Financial Secretary and I was the Leader of Government Business and I had to follow direction. We balanced budgets and we put money in the bank so that this Government could utilise what our administration had done. So I want to thank them from this perspective.

I can now deal with those points in turn: 1) How does this Budget address the long term needs of the Cayman Islands?

For the past years the Budget has been tabled in the context of the National Strategic Policy Statement, and in this Budget the Government has put forward eleven broad outcomes as the platform on which the Budget is produced as well as a number of high level outcomes and policy actions. The Government has also listed a schedule of legislation for the year which is supposed to address a number of important needs for the country.

But from the Annual Plan and Estimates, I note that specific measures relating to certain outcomes have not been identified. I note that with some disappointment for two reasons: First, given the extraordinary circumstances that our economy and our people are facing at this time—recovering from the impact of the hurricane, facing high inflation in the form of accommodation, gas and electricity among others—I would have expected that the Government would have made a more serious attempt to set out the detailed measures that would enable the Budget to be a true platform for the more long-term strategy for these Islands.

Secondly, and most relevant to this point, I would like to raise the subject of the Five-year Economic Development Plan which was drafted under my tenure as the Minister responsible for Commerce and Development, and accepted by the Cabinet and tabled in this House with no objections raised.

Not only does the Economic Development Plan provide key policies and macroeconomic strategies, but it also sets out in great detail the measures and action steps required to achieve the objectives.

A review of the eleven broad outcomes and their high level specific outcomes, and key policy

strategies as set out in the Budget, reveals that the vast majority of outcomes and strategies laid out are addressed by that Five-year Economic Plan with the added benefit that the Economic Development Plan sets out the detailed action steps, as I referred to before.

As an example, the Economic Development Plan sets out key strategies and action steps in a section entitled "Good Governance and Macroeconomics Stability." This section deals with many issues affecting fiscal prudence and the financial position of the Government. It looks in great detail into the historical trend of Government revenues and expenditure in relation to the growth of the economy in general, and it sets out pertinent analysis based on international best practices and conclusions as to the way forward.

There are numerous action steps relating to government revenue measures; e-business, ways to increase efficiency and therefore reap savings within the public sector. In addition, Cayman Brac and Little Cayman also feature heavily in the Economic Plan, and I would ask the Second Elected Member for Cayman Brac to take note.

I note that the current Annual Plan and Estimates makes reference to the Government's goal to embrace Cayman Brac and Little Cayman. But to what extent (I should ask) has the Government looked at the detailed research and analysis strategies and action steps in the Five-year Economic Plan for which there is a section specifically dealing with Cayman Brac and Little Cayman? In other words, to what extent has the Government embraced the Economic Development Plan?

They are going to be embracing Cayman Brac for a long time—as long as they need the help of the Second Elected Member for Cayman Brac and Little Cayman. I hope that they do something about that goodly place. It is an Island near and dear to me and I want to ensure that whatever happens in Cayman Brac that all and sundry are able to live, and live well, from West End to the other districts. Roads that have to be put in, have to be put in in every one of the districts. I have been through this already, and I would like to say to the Second Elected Member for Cayman Brac and Little Cayman that he knows he has my support and whatever is needed for Cayman Brac that is good, he will get my support. But all and sundry in Cayman Brac need to be assisted.

I fear the answer on the embracing of the Development Plan is not a positive one and this is an issue of general concern to me. At the end of the day every honourable Member of this House is here to serve the people of the Cayman Islands. I therefore urge the Government to give more serious consideration to the Economic Development Plan that has been given thus far, and to acknowledge the potential role of this important document to the medium-term plans for this country going forward.

This Plan also requires a review in light of the hurricane so that it can be implemented effectively.

Finally, on this particular point, I hope that lack of attention to the Economic Development Plan to date is merely to do with issues of logistics and timing rather than being politically motivated. At the end of the day we are all here to serve all the people of the Cayman Islands, not ourselves or a chosen few. Neither would I want for this important document to become yet another expensive plan which sits on the shelf.

On pages 11 and 14, the current Budget summarises the eleven broad outcomes and how they relate to some of the expenditure in the Budget. I regret to say that the Budget neglects to set the stage for meaningful long-term strategies in at least one key area, namely, outcome ten—in particular the part which aims to promote an efficient public administration. I know that there is a bill coming before the House.

On the subject of promoting an efficient public administration the document mentioned a number of legislative reforms, but there are additional important ways to deal with the issues of efficiency within the public sector. It is not clear in the Budget whether additional resources are being allocated, for example, to carry out a review of the efficiency of current government departments. Such a review, whether from outside or inside, would enable improved decision-making as to how, for example, prioritisation of expenditures within the public sector should be carried out. Importantly, it would also enable the Government to better understand the actual cost of delivery of the current public services in key areas and, therefore, make better decisions as to whether the current pricing of such services is adequate.

The point is particularly important, Madam Speaker, as the Government has already announced its policy to not apply any new revenue measures to existing public services. I am curious as to how the Government can make such a determination at this stage without first having had a chance to review the level of efficiency, the delivery of current public services against the cost of delivery of such services.

It is not clear, in this regard, that the Budget currently allocated to the Revenue Unit is sufficient to carry out an exercise of the magnitude I am talking about.

To sum up, the Budget does not, in my view, adequately address the long-term strategic plans for the country because, while it deals with immediate recovery issues, it does not adequately set the stage for medium-term economic recovery. It would have been more prudent to allocate resources to fund key initiatives that would help to make this Budget a true platform for future planning.

The second question on the Budget in this context is: Is the Budget realistic and does the Budget adequately take into account the current state of the Cayman Islands economy? It is my view that while the Budget must set the stage for long-term development it must also be realistic given current circumstances.

Given the historical growth of the Government's operational revenues and expenditures, a Budget that projects a surplus of only \$3.3 million before extraordinary expenses must be questioned. Mind you, I have seen it smaller in times before, but then it was not a true balanced Budget in those times.

Given the margin of error between projections and the actual figures at the end of each year, it is highly likely that the \$3 million projected surplus could end up as a deficit. It might not, and I hope not. I hope things improve.

While the presentation of the Budget in this format complies with one of the principles of financial management to have an operating surplus (that is, \$3.3 million), it does not seem to be a huge surplus at all. In other words, Madam Speaker, it does not seem to exhibit much common sense in this respect. Had the projected surplus been higher this particular projection would have had more credibility.

As an example, I note that the actual surplus before extraordinary expenses last year under our Government was \$25 million—roughly eight times what is currently being presented. There are other ways in which the current Budget does not adequately recognise the current state of the economy. I say “current state of the economy” because I hope all recognise that there is not a lot of buoyancy in the economy, and it is turning the other way for several different reasons—our immigration, people do not know yet what is going to happen; the investors and developers are uncertain on issues so there is a wait and see [attitude]. We hope that things would improve. Government could build a big building and that could make some employment. But that would not be all, and it would not satisfy the entire economy and revenue streams that are needed.

On page 277 of the Annual Plan, the Government says that the operational expenditures will increase beyond the ability of current revenue streams to meet its needs over the medium term. However, I do believe that this situation is not a medium-term phenomenon; it is here today and is happening. We should, therefore, be taking concrete steps to deal with this problem as we have faced it now for several years. When the last Government came into power the financial situation was dire, we took bold steps which, while being criticised at the time by some members of the current Government, are now, ironically, serving to benefit greatly the ability of the Government to present a balanced Budget this year.

Think of where this PPM Administration would be had we not taken the bull by the horn and made the important decisions to introduce new revenue measures in 2002. Where would we be?

What would we do? Borrow more and more?

They criticised those revenue measures, but today we had \$88.4 million when they were voted into office. Madam Speaker, that had to be good, sensible management.

In addition, our measures proved not only effective in raising the necessary additional revenue to enable the current Government to boast having 76 days of reserves at hand, but they also proved correct as the economy and business sector continued to grow at an unprecedented rate after the measures were introduced. It shows that what the Financial Secretary was doing to support us, and we him, was right. The industry was growing, even though we had increased the fees and even though I got kicked in the head time and time again about it.

I am not suggesting that the Government raise taxes on any particular sector; I do recognise that these initiatives have to be very carefully considered. But I feel that the Government had sufficient time—five months—to bring fresh ideas to the table in addition to the only effort, which is the increase in mutual funds fees.

Given the extraordinary circumstances of the economy and the Government's historical trends, a lot more could have been done in this area of revenue ideas and expenditure cutting, and I feel that there was sufficient time to do so. The only thing we have heard of is something about raising stamp duty again on property. But the Leader of Government Business said it was not discussed in Cabinet, and the Minister of Education said, oh yes, it was discussed.

In summary, the Budget does not exhibit a serious intention to make the required changes to address the country's long term economic needs. The legislative schedule is commendable and the Government's intention to deal with the recovery issues is much needed.

Madam Speaker, to take the country forward we must focus squarely on what impacts the livelihoods of Caymanians; things such as the economy and the level of efficiency within the public sector. In so doing we must be realistic about the persistent and growing gap between the Government's operating revenue and the expenditure. I know that if my government and I were there we would have had to face the same thing, that is why I can speak so clearly about it.

We must exhibit leadership to the private sector—which is the key driver of this economy—by demonstrating that we want not just an open Government (it's good to go public and have all the pictures on “Not News” and here, there and everywhere), but an efficient administration from a financial point of view is the order of the day. We must show that the Budget, while being a yearly exercise, must address the more long-term strategic needs of our economy and, ultimately, the quality of life of Caymanians.

Madam Speaker, I do want to say that had we been the government we would have had to be facing these issues. That is why I took the point and I walked out of that polling station and said that we would work with them to get what is necessary for these Islands. We are not going to be cumbersome or

a disruptive Opposition. I want to see things done right in this country. They have my support.

A while ago I was speaking about CUC. I gathered that the Minister of Communications believed that I was talking about him personally. No such thing, Madam Speaker. It was far from my mind [to speak] about what I know about him. I am not casting any aspersions on him politically, and I hope that he takes that in the stride in which it is meant.

*[Inaudible comments]*

**Hon. W. McKeever Bush:** Well, do what you want and say what you want.

Madam Speaker, in closing, from where I sit I believe that there are several issues hurting Caymanians today. Fundamental to our continued survival and a good standard of living, certain commodities must be kept within reach of Caymanians and other people who live and move and have their being in these Islands.

Petrol has now doubled and will increase again this week. What is the Government doing about it?

Property insurance is out of reach. This madness will wipe out our middle class. Whereas Caymanians and others . . . in particular, after the granting of Caymanian status dozens and probably hundreds of home mortgages were issued for people to build homes and put down more roots here. This matter of insurance will put mortgages out of reach for Caymanians. No mortgage. No home. No insurance.

I was quoted a figure the other day. I could not believe it—from three or four thousand dollars to nearly nineteen [thousand] and that is just the building not including the contents.

Madam Speaker, think of that group of Caymanians who are used to getting \$400,000 to \$500,000 home—and you know Caymanians have built good homes. One thing we have here in this country is good housing stock. How can we get a mortgage for a \$400,000 home? And add onto that the insurance. You cannot qualify.

What is the Government doing about it? Yes, this is the private sector, but the private sector has to be reasonable; there has to be found a way to deal with this issue!

I already spoke about the 50 per cent increase in the electricity bills, and this increase in electricity is wrecking the ability of Caymanians to pay their electrical bills. The Government must do something about these areas. These are three key areas that have to do with the cost of living, but they are even more fundamental because it is things that you cannot live without.

Madam Speaker, I note some things happening after the crowning of the PPM. For instance the dressing up of the Queens Birthday Parade with red. I am not here to nitpick, but there are two parties in this country—the United Democratic Party (whose colours

are green, black, white and blue), and the People's Progressive Movement boasts of red (and I do not know what other colour). But I saw that for the first time—even when I was in charge of Scouts and a part of that Parade, I was not even a Member of this House. There was no politicisation of the Queens Birthday Parade. I saw it this time with all the red banners and colorations.

Someone had to pay for it so where did it come from?

I hope that I do not see it the next time. That function is not a PPM function, it is a celebration in honour to Her Majesty the Queen, and all of us must respect that.

Madam Speaker, I note that while the PPM said it was a bad thing for Members of the House—the people's elected representatives—to be on boards, they have chosen to put on boards some who were rejected by the people! One is now the chairman of Housing—rejected by the people—one who has a company that deals with human resources and the very things that the Business Staffing Board is supposed to do. He has a license and a business to do it. He campaigned against me in West Bay and is now deputy chairman of that board. Rejected by the people!

They cannot keep the Fourth Elected Member for West Bay on the Turtle Farm Board, which was normal for a representative of the district to be on; but they can put on that same member again and put him in charge of the Human Resource Committee?

What is this, Madam Speaker?

Also to be Chairman of the Planning Authority—another one that was rejected by the people and has a development, is a developer.

What is this? Cronyism?

They cannot speak out of both corners of their mouths.

I note, Madam Speaker, that it is going to take a while to put you as a Minister, if you want to go that way. You are doing a good job where you are—except for those times that we disagree. But I am wondering, since the Constitution is going to be held over until the next Election, about the situation that they claim I was a dictator on—having a Speaker from your own party. That was dictatorship they said!

I know the difficulty they had in forming the Government. I know. I know that they can only have five Ministers, and I know that the Leader of Government Business would have dearly wanted you there. Perhaps it may have been a good thing for you to be there. I leave that to you all. But the fact is the reason why we said that there comes a time when we might have to choose from within for the Speaker. That is not a dictatorship, which is the business of the day. There is nothing wrong.

By the way, I am saying that because the Throne Speech talked about the Constitution.

On good governance—I refused to support anyone that was family to anybody. In Cayman you can hardly do that because we are so small. Yet they team up and slam you hard saying that it is cronyism, it's corruption and it's bad. The PPM said that, and now the three people whom the people rejected—they cannot put the people they elect but you can put the people rejected on the board. It is not that they are going to do a better job than what the Fourth Elected Member for West Bay would have done on that Turtle Farm Board.

Madam Speaker, I have come to the conclusion of what I had to say. I am watching Cayman Airways with much care and attention. We cannot stop Spirit from coming in, but neither should we go all out to help them—not when Cayman Airways planned for and went into expansion. The entrance of Spirit, even though while I was there we were working with them to do coach shares and other things, they were not so forthcoming. Under the agreement we could not stop them, but they are going to hurt Cayman Airways. If it comes through then Cayman Airways will probably have to pull out. Hopefully it might not happen, but if they come through, then Cayman Airways will have to pull out of Ft. Lauderdale and it will be affected on the Miami run—that is when they will start to have more deficits. I hope not.

I know the Minister worked on the Board as the Permanent Secretary, and he knows the struggles and he knows how far we have come with Cayman Airways. There is still work to be done, but by and large we did a great deal to turn the airline around. I trust that these last announcements will not affect us to the point where it causes tremendous loss of revenue.

I know that the Tourism Department is probably going to help them. I do not know how much, but you can believe it will probably be around \$100,000. I understand from the Minister's announcement that he is not permitting any other assistance, but you would believe that it is anywhere between \$50,000 to 100,000 that they will have to assist with their launch.

I hope that we are not doing the wrong thing. We cannot stop them from coming in, but we do not have to invite them in. We could be good corporate partners, but we have to bear in mind the Government's position on Cayman Airways. We do not need them coming out of Ft. Lauderdale if Cayman Airways could handle everything that they brought from Miami to here.

Madam Speaker, I know we heard all sorts of things about Cayman Airways. I tried to find ways to make efficient partnerships. We got proposals and looked at them, and I was called to a public meeting by business people in this community that said get rid of Cayman Airways. I said that the people of West Bay elected me and I am going to them. We went and they told us to support it. We came back and started to move it forward. We even had a study on the value of Cayman Airways done, and we know the value, we

saw it after the hurricane. Anybody who believes that we should not have it is making a mistake in these days when anything can happen and the foreign flights can pick up and leave immediately. Cayman Airways is there.

This is old talk and I will stop at this point to say that they say this is a common sense budget—spending the money from our administration and utilising our programmes. Good common sense PPM.

**The Speaker:** Proceedings will be suspended until 2.30pm.

#### Proceedings suspended at 12.59 pm

#### Proceedings resumed at 2.35 pm

**The Speaker:** Please be seated.

Proceedings are resumed. Debate continues on the Throne Speech and Budget Address. Does any other Member wish to speak? Does any other Member wish to speak? Does any other Member wish to speak?

The Second Elected Member for Cayman Brac and Little Cayman.

**Mr. Moses I. Kirkconnell:** Thank you, Madam Speaker.

It is with humility and respect that I rise to address this honourable House as an Elected Member for Cayman Brac and Little Cayman. I recognise and accept the great responsibility entrusted to me by the people of these Islands. I am ever mindful of the fact that I am here to represent the interests of all those who call these beautiful Islands home, but with a direct responsibility for Cayman Brac and Little Cayman.

I would first like to comment on the Throne Speech delivered by His Excellency the Governor, Mr. Bruce Dinwiddy, on the 2005/2006 Budget Address delivered by the Honourable Financial Secretary. Before doing so I would ask your indulgence to offer farewell wishes and Godspeed to His Excellency the Governor and Mrs. Dinwiddy, from the people of the Cayman Islands. We wish them every success in their future endeavours.

As I mentioned, my contribution today will be in two parts. First, I would like to address two significant issues from the Throne Speech that affect the Cayman Islands as a whole. I think that all of us hear from our constituents quite often [about] crime and the high cost of living.

Second, I would like to focus on pertinent issues to my district, Cayman Brac and Little Cayman, and how a proposed budget applies to them.

I begin by saying that it is our responsibility as leaders of this country to understand and address relevant issues. I know that each representative here takes that responsibility very seriously. We must listen closely to our people in order to understand their con-

cerns. We must create policies and infrastructure that allow all Caymanians to enjoy the fruits of their labour and the freedoms provided by our Constitution.

It is my experience that the concerns most often raised by constituents of this country are crime and the high cost of living. Madam Speaker, I believe the rise in violent crime in Grand Cayman has been well documented in this honourable House by each of my esteemed colleagues. I also feel that it is being dealt with by the increased funding to our law enforcement branches and by the staunch commitment from this Government for improved crime prevention. Therefore, Madam Speaker, as I said in my contribution to the Crime Bill, I want to be sure that Cayman Brac and Little Cayman are included in the next boats, cars, equipment and officers and to make sure that Cayman Brac and Little Cayman keep their safe haven status quo.

Other than to share my full support toward these significant efforts to eliminate crime, restore our homelands to the secure and peaceful Islands of our recent past, I will move on to my second major concern that the people have expressed: The rising cost of living.

We are experiencing costs all around us and it is important that we understand these increases as they relate—the cost of fuel and the cost of energy. The Cayman Islands are not alone in this crisis. The increased cost of fossil fuel is well documented world wide. The Leader of the Opposition spoke about it in his contribution. The price of a barrel of crude has gone from \$30 to almost \$70 in a twelve-month period. The International Monetary Fund has warned that the cost could rise to above \$80 per barrel by the end of this year.

A recent global survey showed the commodities hardest hit to be jet fuel, building materials and diesel. International economists have warned that diesel prices will raise the price of everything that is shipped and they further explained that those impacted most are countries that depend heavily on imports. Almost everything we buy will go up in price due to higher transportation costs fuelled by diesel energy.

In addition, and more alarming to us, tourism will be negatively affected as tourists have less to spend for vacations because their cost of living worldwide is higher. This, combined with the fact that travel costs have increased due to rising fuel prices and these difficulties, is exactly what we are not facing here in the Cayman Islands. Fuel makes up between 25 and 35 per cent of the cost of electricity in the Cayman Islands. In addition to global rising costs of diesel, we have the fuel surcharge on the ocean freight to bring goods here, we have the offset on transportation to get commodities to the marketplace reflected in the increased cost of trucking locally, and all of these surcharges are ultimately passed to the consumer—you and I—which causes electricity to be more expensive.

With the rising cost of electricity the cost of doing business increases which causes business owners to increase their prices, in turn all products and services become more expensive. It is not my intention to imply that that a small country like the Cayman Islands could have any influence over the price of oil in the world. I believe that we are a people that recognise problems and the need to address them head on.

We depend on Texaco Chevron and ESSO as our two suppliers of fuel. At this time I would like to commend these two companies for their investment in the Cayman Islands and their contribution to the infrastructure of these Islands that we enjoy. They supply fuel to Caribbean Utilities Company Ltd., Cayman Airways, Cayman Brac Power and Light, and all business and homes as well as to each individual of this country who purchase gas for their automobiles, boats, and other items. We have quietly watched and blamed service station operators, shipping companies, power companies and all private business owners. However, I submit that all the middleman/woman of this country is doing is passing on the cost to the consumer.

We, as a group must, not shoot the messenger. While it might be easy to think that we have found someone to blame we must do better than that, we must satisfy ourselves that as representatives of the people of this country we fulfil our obligation to them for this and future generations.

The objective of this is to address high fuel prices. In the short term we must ensure that the Cayman Islands have access to fuel at the lowest possible prices, and in the long term we must institute a sustainable national energy policy which will encourage efficient use of electricity, decrease our dependence on fossil fuels in favour of environmentally friendly sources of energy.

At this time I would like to expand upon the short term strategy: During my campaign in the district of Cayman Brac and Little Cayman I suggested that we develop a national policy to deal with the purchase of fuel, and it has become even more important to this country as each day passes on. The first step is to sit down with Texaco Chevron and ESSO to understand what options they can provide as good corporate citizens to this country; options that could provide lower fuel costs to the country as a whole and which would lower the price of goods to every Caymanian.

The second step is to contact our neighbours within the region to explore Caribbean options as opposed to our current United States based arrangement with suppliers. As an example, why is jet fuel \$1 cheaper in Jamaica than in Grand Cayman? Also Jamaica has an oil refinery, they are our neighbours and our friends but we do not purchase fuel from them. I wonder why? I am confident that we will hear more about this. We have identified a problem that has to be dealt with and looked at for this country.



At this time the Honourable Leader of Government Business has his Ministry looking into a similar strategy to deal with this matter. If we can reduce the cost of energy then we can reduce the cost of living in a significant way. If we move forward identifying the problems of this country and be proactive in solving them that is what the people want.

We owe this to every Caymanian, but we must not stop with these immediate measures of cost containment; we must work to establish a sustainable national energy policy for the long-term management of this issue for generations to come.

Madam Speaker, to increase the impact of rising fuel prices on our day-to-day lives, we must look at new ways to build our economy. The focus should be on creating a system that allows all Caymanians the opportunity to build financial security for themselves and their families.

As more Caymanians move into high paying jobs they will be less vulnerable to increases in the cost of living. We must strive and make the higher paying jobs available to all Caymanians. This leads me to the second objective with regard to the rising cost of living in these Islands—reinforcing our economic stability, the high cost of money, and the deterrent it presents to Caymanians willing to work to improve their quality of life. I want to spend some time on this and, hopefully, get my point across so that everybody understands it. It is a very proactive statement and it is not a negative implication to any of the commercial banks or institutions. The cost of money has to be dealt with in a development way for the Caymanian people themselves.

This issue is at the heart of our future as a nation. We can look at the development of other countries and learn from their experiences. We do not want to change the model created by our forefathers and stray to one that encourages a society of haves and have-nots, with a large portion of the society dependent on the Government for support. Instead, we must bolster a system that maintains a dominant middle class. The presence of a successful middle class creates optimism for the young people of this country as they recognise that there is no limit to what they can accomplish. This heritage of hope and spirit, of entrepreneurship, is being threatened. We need to create a system that nourishes young Caymanians and promotes drive and innovation. It is my intention to be a catalyst for this change and to encourage new ideas and programmes that will reignite the entrepreneurial spirit that Caymanians of years past were known for around the world.

We have all heard the old adage; *“if you give a person a fish, you feed them for a day; but if you teach a person to fish you feed them for a lifetime.”* I submit to you today that fundamental to our economic and social stability as a country is our commitment to teach our people to fish. Give them the opportunity to be successful in their own right.

I further submit to you that for young Caymanians to continue their heritage of entrepreneurship and financial security, we must give them access to the tools required in today's business environment to be successful. These tools include education, experience, business mentoring, coaching and financial backing.

Madam Speaker, this Government is committed to providing every child with a strong primary and secondary education and access to scholarships and loans for furthering their educational and vocational training after they have finished in their classrooms. It is important to provide opportunities for work experience in both the public and private sectors.

However, after years of acquiring knowledge and skills many Caymanians could become business owners and build successful small businesses and professional services if they had access to business coaching, mentoring, and business loans at development loan rates. We have to drive the cost of money for our young entrepreneurs down in this country.

I will give credit to the Leader of the Opposition. When he was the Leader of Government Business he started the Investment Bureau, which I think part of the Investment Bureau idea and reason for being developed was to mentor young Caymanians. With the advent of the Cayman Islands Investment Bureau Caymanians now have available to them a resource for business advisory.

At this time I would like to commend the Cayman Islands Investment Bureau under Mr. Dax Basdeo's leadership for the work they have done in Cayman Brac and Little Cayman. We have held a series of business development workshops for our local residence—which were very well attended—and have begun to address the business coaching required in today's competitive environment. We look forward to having the Investment Bureau back in Cayman Brac and Little Cayman and continuing our work in a strategic partnership with them.

It is the fourth tool—low cost money—that is the predominant deterrent to the growth of small and medium business sectors in the Cayman Islands. The Cayman Islands Development Bank was founded with the mission to mobilise and provide financing for the promotion and expansion of the economic development of the Cayman Islands. It needs to be strengthened and the Minister responsible has pledged to strengthen it. The best practices from other development banks [is that] they serve segments of the markets that are underserved by private sector financial institutions. Very clearly, they do not compete with commercial banks they look for markets that are being underserved. They develop specialised funds created and managed by development bank leveraging assets from multiple institutional investors.

Madam Speaker, they look at identifying markets, such as making capital available for a young Caymanian development fund or a Sister Islands Development Fund. The identification of specific devel-

opment initiatives is important to the national interest. Small businesses for the development of Caymanian entrepreneurship, working capital, disaster recovery projects, productivity investments in information technology, and human resource staff training and development. Economically undeveloped communities, such as, if there was a need for a specific stimulus in East End, the Development Bank would be there to be involved in creating that benefit to the people of East End.

Of course, let me not leave out Cayman Brac and Little Cayman. They would be on the forefront of helping develop Cayman Brac and Little Cayman as we move forward.

Social economy to build a community to attract knowledge workers, arts and culture, education for lifelong learning, the environmental protection and improvement and infrastructure to build a foundation for a knowledge economy as we move our economy forward.

Let me paint a picture of opportunity: Pension funds of this country could be asked or even required to leave a percentage of the funds with the development bank at a low interest rate instead of this money being sent to New York and other money markets to be invested for the pension holders of this country. If it was invested in the local community at development interest rates to develop the basic niche markets not being served by commercial banks we would be stepping in the right direction. We would be lowering the cost of living in this country—a proactive way to find ways to lower our costs.

- Special financing options created for identified niches: We have all been to the bank and what you need when you are trying to develop a long-term strategy is long-term money. Thirty-year financing is not available to the young entrepreneurs or the people of this country. A niche to be looked at by the Development Bank.

- Deferred principal payments—get your business going. Maybe it will take you two or three years but you only pay interest until you get over the hump and make your contribution then you build your business.

- Payments tailored to cash flow of seasonal businesses.

- Unique guidelines for higher-risk enterprises with intangible assets.

If we do not create ways for Caymanians to be able to get higher-risk money, then we will not change the way business is done. Again, I go back to the niche market, the markets that the commercial banks do not and are not able to service.

A \$12 million bond issue was issued one year ago. It was very successful. It was oversubscribed. The scale that the Development Bank needs to look at is \$100-200 million to improve the ratio and the cost that it takes for them to manage the money. Then that brings the interest rates down to where it is a development fund. These must be made available.

Let me give you an example from Cayman Brac and Little Cayman of what this does. I believe that we will be successful in having a boutique hotel built on the old Buccaneers Inn property. The negotiations with the people that own the property are in the final stages and the commitment has been made. They are a company of good standing who do not want to do anything further than build a hotel. So they want local people to furnish diving, tours, taxis, nature walks, rental cars, restaurants, and to make the local Caymanian experience available. This is an identified niche and a development need for Cayman Brac and Little Cayman.

The Development Bank should be standing side-by-side with these Caymanians that want to take advantage of what is being provided. We must make this available to where they can take advantage of the opportunities that are being created. If the situation is not addressed and the hotel is built and development money is not available for the Caymanian entrepreneur to take advantage of the opportunity that is being created by the inward investment, then we have failed.

Madam Speaker, if I may, I would like to consider the first part of the contribution—proposed budget and how it applies to Cayman Brac and Little Cayman. I want to share with this honourable Parliament a snapshot of economic reform of Cayman Brac and Little Cayman; a vision widely shared and supported by my constituents.

Madam Speaker, in July 2004, a group of concerned business and community people from Cayman Brac and Little Cayman met to discuss the future of the Sister Islands. In a comprehensive review, a five-year plan for the country led by Mr. Paul Byles, the Director of Regulatory and Economic Consulting at Deloitte, a graduate of the London School of Economics and a member of the Royal Economic Society.

The study showed what most people in Cayman Brac and Little Cayman were feeling. It showed that the Brac economy was stagnant; it showed that Cayman Brac's population had declined; and it showed that there was little opportunity for our school leavers to find jobs and our young professionals working in Grand Cayman and abroad to return home to jobs.

Again, I give credit to the last Government for doing this study and for identifying the needs and also for identifying ways to move forward. We, along with our own ideas, incorporated many of these things.

With few professional jobs on Cayman Brac the average per capita wage is much less than Grand Cayman. It was at that meeting that our committee resolved to set a goal to work together to change the direction of Cayman Brac and Little Cayman to form a public/private partnership. I pause here to make sure that the First Elected Member for Cayman Brac and Little Cayman is given credit and included in this statement, because anything that was asked of her,

she said, *"I support the private/public partnership and will speak to the Leader of Government Business"*.

I will tell you that they invited me and a group to Cabinet and listened to our ideas. We believed then (as we do now) that the basic services are in place to support a larger population which would rightly benefit the economic stability of Cayman Brac and Little Cayman. What we need, and what we are addressing, is the initial boost to our population.

We began our search for a university or medical school, secondary education that would locate a campus on Cayman Brac to give our economy the jumpstart it needs. Our journey commenced and in the midst of our search Hurricane Ivan arrived on our shores, and what a lesson we learned!

We learned that our population could double in three days. We learned that we could successfully absorb the growth. We learned that having twelve hundred more residents brought an excitement in the community, increased sales for our gas stations, retail stores, restaurants, beauty shops and other businesses.

Our forefathers built the services needed to support such an influx. We already had a hospital, a retirement home, international airport, good roads, a well-staffed, trained Police and Fire Services, district administration, Immigration and Customs all ready to receive a larger population. Those who came from Grand Cayman learned what we already knew—that our schools and teachers are some of the best in the Cayman Islands and, as of today, there are still some families and students remaining in the school system in Cayman Brac.

Madam Speaker, it takes two ingredients to have a sustainable economy—a good place to live and a good job to go to. Within three months after Hurricane Ivan and the influx of people to Cayman Brac and Little Cayman, the housing crisis in Grand Cayman started to recover. The people gradually returned to Grand Cayman, to their jobs and to face the recovery of their homes and what they needed to do.

So often I personally heard our temporary visitors stop by and say, *"I never realised that Cayman Brac was such a great place to live. I never realised that you had so many things here. I never realised how good it was. If I could just find a job I would stay here."* Two ingredients needed for a sustainable economy are a good place to live and a good job. It was magnified by the twelve hundred people that came after Hurricane Ivan from Grand Cayman and confirmed what we already knew—that we have a good place to live, we just have to provide the jobs.

As we know, they could not find jobs because there are simply no job prospects for them. That is why our own school leavers and young professionals that are scattered all over Grand Cayman, the United States and other parts of the world. They are forced to leave home. That is why you read in the newspapers about the brain-drain in Cayman Brac.

I proudly say that as you look around Grand Cayman you will see where the brain drained to—because they have made a valuable contribution to the development of Grand Cayman itself.

Madam Speaker, by January this year Cayman Brac was right back to where it was in August 2004. In the wake of Hurricane Ivan and in the bitter-sweet aftermath of our temporary economic upturn we were right back where we were. So our journey continues, and our quest to bring more people to Cayman Brac and to bring Cayman Bracers back home is still our priority, vision and the goal.

The people of Cayman Brac and Little Cayman are hardworking, honest and of good character, ambitious, resourceful, and, for the most part, successful. They have proven themselves time and time again throughout the world—in the United States, Jamaica, Canada, and wherever they went to seek opportunity. They were not afraid to travel because it was a necessity, just as it is a necessity today to look abroad for jobs that you qualify for.

So our goal is to change that model, to bring opportunities to the shores of Cayman Brac and Little Cayman so that we do not have to leave to find a professional job, but that the professional job is there waiting for you to be qualified to fill it.

Some people say that will never happen. But is that a reason for me to stop trying to make it happen? Is that a reason for us to not work hard to make it happen? I believe that we have a special opportunity in the next four years because we have a Government that is committed to develop Cayman Brac and Little Cayman in a way that will benefit the people there.

We also have an Opposition that is committed and has shown their support in the past and will work with us to build it in this short term.

In order to bring opportunity to Cayman Brac and Little Cayman this Government must provide a framework inclusive of policies and legislation that recognise the special needs of Cayman Brac and Little Cayman. In order to promote economic growth and well-planned development this Government needs to provide incentives to encourage public and private sector ventures in Cayman Brac and Little Cayman. Ventures like Government back-office jobs, professional satellite offices, boutique hotels, educational campuses and the medical school (which this Government has fully endorsed and is moving ahead); niche market IT businesses to compliment and support the industries of Grand Cayman and around the world.

It is a culture and an attitude that the people of Cayman Brac and Little Cayman are developing to be proactive and to realise that they understand, comprehend and know what they need not to wait and have someone show up on an aeroplane and say, *"I would like to build X on your Island."* No. The people of Cayman Brac and Little Cayman identified what they need to complement the development of the Is-

lands and when they do that, just like we sell a condominium, you market, advertise and look for the type of business that you want. When you bring them there you screen them and make sure that they appreciate the culture and tradition and they are well meaning for the population of Cayman Brac and Little Cayman.

Our vision for Cayman Brac and Little Cayman is to create a balanced crime-free society with a sustainable number of people that will support a combined nature/dive tourism industry, support a professional, technological, academic based community, and support the local residents—in short, a diversified, sustainable economy.

Madam Speaker, I go now to the Budget presentation and how this moves in complementing the journey that we started on.

Some of the projects identified as capital projects from the Budget include the Emergency Medical Centre for \$200,000. The emergency clinic will be built next to Aston Rutty Hurricane Centre (which is the category five centre sheltered on the Bluff). This will serve two purposes: Firstly, at present when we are under threat from a hurricane, Faith Hospital has to move (24 to 36 hours [before the storm]) the patients that are bedridden and immobile from the hospital along with all the equipment that they need to keep them, to the hurricane shelter. When they are moved there, they are put at the west end of the building on a stage. There is a curtain pulled across and nurses and doctors have to carry on their professional duties of giving them medical attention in virtually a wide open field. It is a quick loss of the patient's dignity.

They also have to move the elderly residents of the Kirkconnell Rest Home to the Aston Rutty Centre as well. They put them side by side with the patients from Faith Hospital.

This shelter (which will be built to a category five standard as well) will allow a quality of life for the rest home residents and the hospital patients that will be a continuance, so that they do not have to be moved so quickly and they do not have to be moved back so quickly that it is such a jolt and complete upheaval in their daily treatment and lives.

There is a name that the First Elected Member from Cayman Brac and Little Cayman and I have discussed, and I would leave it for her to say because I think that it is very meaningful for her to say the name that we would like to call it, and she has 100 per cent support from the community and me.

Secondly, this clinic will offer medical treatment that in the event something does happen to Faith Hospital during a category four or five hurricane that we would still have the ability to treat injured people on the Bluff at this centre.

Madam Speaker, one of the large capital projects in the Budget for Cayman Brac is the preschool facility. This is encouraged to be built in the same complex, in a category five building, at the Aston Rutty Hurricane Centre to give us more room for peo-

ple in a hurricane situation, and to also give a purpose built building, safe confines, a good learning environment for the day care students and workers.

The facility will offer a safe friendly environment for the children and the day care workers. I also say that what we want and need to do is open the day care centre earlier and run it later so that parents do not have to worry about day care from eight to five. If they have a job that starts at 6 am they should be able to take their child to day care then go to their workplace. If they work a second shift at the hotel and they need to leave their child later, the only way we can facilitate them to have their job and work the hours they are required to work without hiring a helper (which makes the job counterproductive for them), is to facilitate them with opening the day care earlier and later. That is not something to be put in this Budget, but it has been discussed with this Government and the Leader of Government Business responsible for District Administration has committed to speak to District Administration and the Minister responsible for the Centre itself thought it was a good idea.

The Little Cayman Airstrip was grass and has about one thousand feet of asphalt that the twin otters land on. It is using a government building that is very small and inadequate for a destination that is rated one of the best dive destinations in the world. There was money allocated in the Budget to improve the aesthetic value and improve the building itself for arrival and departures so that guests who come to our Islands can be comfortable when they arrive and when they depart. In that amount there is also money to purchase emergency landing lights for Little Cayman Airport. As you know there is not a lit field there and in a medical emergency situation we either have to find somebody that has the nerve the land or put the person in a boat and transfer them to Cayman Brac. I certainly endorse the emergency landing lights and look forward to having them in Little Cayman as quickly as possible.

Madam Speaker, another expenditure that comes through a statutory authority is the Little Cayman Airstrip. The plan for a new airport in Little Cayman is in the final stages. It is estimated that this project will be between \$7 million and \$9 million. This will not only have a positive economic spin-off while being built but it will change the air service for Cayman Brac and Little Cayman forever. The only planes that are economically feasible to operate a scheduled service in and out of Little Cayman right now other than the Havoline Twin Otters that fly there. They fly there four times a day round trip to Grand Cayman and round trip to Cayman Brac. But the cost of carrying a passenger on a smaller plane is well documented to be more expensive than on a larger plane, but the ability for Cayman Airways or the Government to have a larger plane operate for Cayman Brac and Little Cayman is impossible until we have a new runway that can accommodate turbo prop commuter planes

such as the little Dash 8s that carry thirty-six passengers and offer a completely different experience, a more user-friendly experience than the twin otters are able to offer. But let me say that the twin otters run on time and are able to get and satisfy the tourist market right now in Little Cayman.

The new airstrip will not only make it easier for tourists and residents alike coming to Little Cayman, but it will be extremely helpful for Cayman Airways to use bigger planes to hold down the costs. We support the new plans and support the new airstrip.

In Little Cayman a part of this Budget is directly resulting from input by Mr. Linton Tibbetts and other locals when we were there who took us down and showed us a need at the cemetery. It was placed in the Budget and addressed, and I am quite certain that the walls and the improvements will be well received by the community.

Another item in the Budget is the Stake Bay Community Pool. We only have one pool in Cayman Brac and Little Cayman, which is a public pool. This money will be used to build cabanas and to give families a safe haven on the weekends if they want to go to the public pool and enjoy a picnic with their children. It is a well known fact that the Minister is working hard on improvements around the pool, and I am looking forward to the next budget to see the commitment for building the new pool on the Bluff. We thank you for this smaller commitment for this year.

Madam Speaker, the Heritage House on Cayman Brac has \$50,000 in the Budget. Heritage House forms the foundation of our culture and traditions. This is money well spent to catalogue and create a facility that all can visit and enjoy and see how we used to live and where we have come from.

Farm roads are an ongoing programme which we highly encourage. They are unique because they allow access to farm land on the Bluff that we are not able to use at this time. Big Channel is one that has been identified, and the Government put in the road so that the farmers can utilise the land.

In Little Cayman, ramps and jetties have been addressed. We had a dock at Point of Sand which was used quite a bit by locals from Cayman Brac and Little Cayman to go back and forth for enjoyment, social activities and business as well. It was carried away and it is projected to be rebuilt in this Budget. We have also identified a boat ramp on the north side in the Jackson Point area. This gives access to the north coast of Little Cayman for emergency personnel that may have to launch quickly and also for the tourism product that wants to get their boats in for diving at Bloody Bay also for the new Marine Institute and, most importantly, it gives access for the public of Little Cayman who do not have a boat ramp on the north side presently.

Welcomed by the Little Cayman residents will be the straightening of the Spot Bay Road which has become one of the main north/south roads.

Madam Speaker, an item that has been addressed and funded in the Budget is the playfield on the Bluff in Cayman Brac. This comes back to my campaign [where I spoke] of spending more on prevention than on enforcement. This goes along with the tremendous increase of funds for the sporting programs of Cayman Brac and Little Cayman this year. This is the first of a planned community funding. This complex will include a track, football field, cricket field, changing rooms, basketball courts, and community facility. It should be a centre of activity for all to enjoy—a facility which is on par with the best sport complexes that the Cayman Islands have to offer; a facility that meets regional specifications that we can start enjoying sport tourism in Cayman Brac and Little Cayman. While it will improve the tourism product it will strengthen the social fabric of Cayman Brac and Little Cayman because of what it will do for the prevention of crime itself.

I go back to the contribution where I said if you take out the sporting teams, the strong football teams that Cayman Brac and Little Cayman have had, and you look at the individuals that these programmes moulded and turned into the finest citizens of Cayman Brac and Little Cayman, you realise that you are developing a foundation piece here. You realise that you are starting to interact with the families and the children and encourage them to be together, you realise that you are providing an outlet and interaction that is needed in Cayman Brac and Little Cayman.

We realise that this is an ambitious project. We realise the facility will cost much more than \$300,000, but it is a phased development an overall plan that each year you do more in a planned way that complements what was done before—the thing I am most proud of and we can stop talking about it and do something about it. I know that the children and young adults of Cayman Brac will certainly benefit from it.

I now go on to Cayman Airways (CAL Express) and the air service to Cayman Brac and Little Cayman.

Today we have the best air service that we have ever had and it is a continuing work in progress to make it even better as we build demand for Cayman Brac and Little Cayman.

I will tell you that the First Elected Member for Cayman Brac and Little Cayman (Mrs. Juliana O'Connor-Connolly) was the Honourable Minister responsible for District Administration at the advent of CAL Express. She, along with the former Leader of Government Business, was supportive to make CAL Express a reality. I am proud that I was able to work side-by-side with them at that time. We now have to go forward and make it better, we have to continue the development of Cayman Brac and Little Cayman. They are the air bridge to Cayman Brac and Little Cayman. Our tourists and residents depend on that every day to move them to the hospital and back and

forth. It is a quality-of-life issue and that is what CAL Express gives to Cayman Brac and Little Cayman. We will continue to strengthen it.

They offer four round trip flights from Cayman to Cayman Brac and Little Cayman. Cayman Airways also offers four jet flights from Grand Cayman to Cayman Brac on Thursday, Friday, Saturday and Sunday. They offer a direct flight from Miami into Cayman Brac on Saturdays. Their flight connects with all of the inbound jets from Chicago, Boston, Miami and Tampa. We will continue to depend on the jets to move the large groups (one hundred plus) that come in for our dive resorts.

I am pleased with the commitment that in this Budget and by this Government to strengthen the service and to work to build the economy of Cayman Brac and Little Cayman which this is such a big part of. This Government has identified funding in the Budget for CAL Express Sister Island route, and for that I support and thank them.

Madam Speaker, when we look at the strategy in the Budget for Cayman Brac and Little Cayman I am pleased with what is ahead for Cayman Brac and Little Cayman. The path to economic stability has to be pursued with a private/public partnership; but, more importantly, every person of Cayman Brac and Little Cayman communities has to benefit from that partnership.

Madam Speaker, the Budget touches the youngest of our Islands residents with the day care centre. It touches the youth and young adults with the sports complex. It touches the oldest members of our community that are hospitalised, and we have to take care of our elderly through respect because it is the right thing to do. All of this, with a recurrent budget that adds much needed enforcement and skilled jobs to the civil service in Cayman Brac and Little Cayman, is a good budget. It will be a short year. Once the Budget is passed it will be November and we will have the building projects to get started on and only seven months to complete these projects.

I look forward to the activity that will be created in Cayman Brac and Little Cayman by this Budget and by the projects of basic infrastructural demand that have been identified and will go forward. This, along with the friendly climate for development articulated so investors clearly understand we want investment which complements our culture, appreciates our tradition and is a benefit to all Members of our community will go a long way in moving us forward.

In closing, let me say that with this Budget and the strategies that have been identified I believe that Cayman Brac and Little Cayman are on their way.

Thank you.

**The Speaker:** Proceedings will be suspended for ten minutes.

### Proceedings suspended at 3.42 pm

### Proceedings resumed at 3.58 pm

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

Debate continues on the Throne Speech and the Budget Address. Does any other Member wish to speak? Does any other Member wish to speak? Does any other Member wish to speak?

The Third Elected Member for the district of George Town.

**Ms. Lucille D. Seymour:** Thank you Madam Speaker.

With such a handsome smile from the Leader of the Opposition, I know he anticipates that I am going to give him a hard time. But I will not do that.

Madam Speaker, this is the first time that I will get to speak on such an important topic, and before I do that I wish to commend the Honourable Financial Secretary, the Leader of Government Business and His Excellency for putting together this long awaited Budget, which will ensure that nobody falls through the safety net in the Cayman Islands.

The outcomes delineated in the Budget are certainly the ones formed by the PPM on what is needed so that our people—the people of the Cayman Islands—do not fall through the safety net and that there will be opportunity for all.

I would also like to commend the Second Elected Member for Cayman Brac and Little Cayman who convincingly put his points across to ensure that Cayman Brac and Little Cayman never again are forgotten. They are equal to us and we walk side-by-side with them. Thank you very much honourable Member, you have done a great job. I have no doubt in my mind that when the next election comes, sir, you will be the First Elected Member for Cayman Brac and Little Cayman.

*[Inaudible interjections]*

**Ms. Lucille D. Seymour:** For us, the next election started in May 2005. Madam Speaker, I need to speak about my position—not just as an Elected Member (and I hope that is permissible) but as someone who comes from that distinguished career as a civil servant. I will have a lot to say on the civil service when we debate the law. But I would like to preface what I have to say about the Budget by speaking about the civil service first.

Madam Speaker, the civil service is, to me, an organisation that must set the tone for how we do business in the Cayman Islands and must set the tone for the ethos of the Cayman Islands. I left there some time ago and I left colleagues and friends. I am happy to say that I had never met such bright minds as those I met while in the civil service.

As you may recall, Madam Speaker, I rose in the civil service from being a teacher, an education officer, a senior education officer, a permanent secretary in the Ministry of Community Development under the now Opposition Minister (who did not really see eye-to-eye with me), and it is for that reason that I am glad I am here and that I can speak out to ensure that there is no political interference in the civil service. It is not good. It hurts. It takes away your life. It takes away your livelihood. It takes away your bread. It takes away your dignity and it makes you feel that for your thirty or thirty-three years you have committed yourself to poverty (because that is exactly what we got in those days). It makes you feel that you have never made a valuable contribution.

We made mistakes, because there is no management system for a new permanent secretary, there is no place where you go and learn those things. You make mistakes. We, in this political process, in particular Ministers . . . and I advise them: we must be careful how we work with our counterparts in the civil service. If we do not do that, then we are as the pig in *Animal Farm* when he looked up and said you cannot tell the pig from the man. You must be able to differentiate between the Minister and the chief executive officer. There are times when there must be understanding, and politics must not play in that.

Be that as it may, I wish to speak to the whole question of entrance and exiting. The civil service is an organisation like a law firm or other organisation where you enter with expectations that you are going to do well and be promoted, or you are going to get fired. We do not want it that you get into the civil service and all you do is get fired but not promoted. By that I mean that we need to set objectives and goals for the upward mobility of people in the civil service. I am glad that very soon we will be discussing the public sector reform, and I will say more about that.

I would like for this honourable House to remember that they are our partners who have spent an inordinate amount of time going to university or going up the ladder, and they expect to be treated as equals. And when they make a mistake they are expecting to be corrected either through a system of further learning or through correcting them at that moment in a very humane way.

The second point I wish to speak about is the whole question of the People's Progressive Movement, as it is a Government.

For the first time in our history our people were able to listen carefully and look at what we were putting forward. They listened to the Opposition, then to the Government. They went to the polls and voted the People's Progressive Movement. They did that because they liked the plan of the "little red book" (as some people might call it). They did it because they were tired of the decay of their social institutions. They did it because they were tired of their children not getting the full amount of this economic miracle

that we have put in place in the past thirty-five years. They also did it because they felt that people were not listening to them.

It was with interest that I followed the Opposition Leader today trying so hard to convince himself and to convince us here that he did a good job. But the people spoke on 11 May, and they will speak again. But when they speak again it will be the PPM again because it is about care—C-A-R-E. Care for my children, care for my old lady, my mother; my father; care for my young brothers; care for my young sisters; care that the money can stay here and we can use it. So, it is about care. It was about trust, and I know that will be spoken about quite eloquently much later by the Honourable Minister of Infrastructure.

Madam Speaker, last week we saw the passage of a report done by education. I would like to spend some time talking about that. I would like to talk about it from a historical perspective first, because I was there until 1995.

But before I do that, I would like to talk about my past colleagues. I know some of them are hurting because they have tried to speak to me and I know they are hurting because they see themselves being criticised. I know they are hurting because they also saw themselves not being involved over the period of years. For example, when I was there, there was an area called school supervision. Any country that takes school supervision out of the education process is doomed to fail—and that is exactly what they did. I do not know who it was, but some bright person decided that you no longer needed to supervise teachers or the curriculum. What they put in instead was a school inspectorate, which is an auditing function and which is after the fact.

The supervision of schools is about development to ensure that what is in the curriculum is being taught, that teachers are teaching right, that children are learning and, as Shonnel said, "If a child has not learnt, a teacher has not taught." So that went out of the window. I think it was from then they became frustrated. They were competent people in there when I left, and, with the exception of a few who decided to play games with people because they wanted to be promoted (and I know who they are, but I should perhaps not call their names) and who wished to be the Chief Education Officer, most of them are good decent people interested in movement.

There was a review done in my time . . . and I just want to give a message to my old colleagues. There was a review done. It was started in 1988 and completed in 1990. It was called the Education Review of the Cayman Islands Report. The consultants were a Dr. Broom (quite famous in the Caribbean and in the international scene on education). He was the Chair of mathematics in some instances. There was also Mr. Porter, who came from the Commonwealth Education Institute. Well renowned. He was assisted by two officers, Mrs. Lillian Archer and Mrs. Deanna Lookloy. When you take the Report that was done

just a few months ago and juxtapose it with this one you have almost the exact points.

What I wish to say to my former colleagues in the Education Department (this was during my time) . . . but the then Chief Education, Miss Andrea Bryan, did not take affront to it, but got very quickly to ensure it castigated us. Rightly so. She did not take affront to it, but immediately asked for another expert to help her put together a plan.

Mr. Tibby, from DiFed and Miss Euna Paul from Carnid came and put together an implementation plan and the then Chief Education Officer got all of us in it (with our tails between our legs) and we started to put together with those people an implementation plan.

Then there was a change in government and I would invite anyone to try and get this Report and you will see the similarities. There was a change in government and that went down the road. Nothing happened. It went out the window. It went (as some people would say) to collect dust.

Then in 1992, 1994 or 1995 someone came up with Strategic Plan of Education. We brought in a great consultant by the name of Dr. Cook (or something like that) and paid him something like \$1500 per hour or per day (it was a lot of money) to put together a strategic plan. But when we were doing the strategic plan we came up with the same things again that they said was the endemic problem in our system.

Over the years we had a national education conference (1994) with only teachers not the other stakeholders. Again, they put the same things that were in the same plan that 2005 has. The teachers and some of us put it in.

Over the years there were a series of other reports that had the same thing again. One of the last things that I looked at was something to do with our teachers and how to retain them. When I read it they had the same things in there again. Three and a half years ago there was a committee set up for education and they talked about the same things again, and as a result of talking about those things it is in our manifesto and hence it was brought to this House and will be implemented by the Honourable Minister of Education.

The Honourable Minister of Education whose national imperative it is to make education better for our people so that at the end of the day we can have our Walcotts we can have our Sparrows, we can have our great personalities like they have in the Caribbean, which are in some instances poorer than us but they have been able to bring out such erudite, learned people in that system that we criticise. Every day on some show or the other they are criticising the Caribbean education. This Minister, whom I have had the experience of working with for three and a half years, talked about education as a PPM Member at that time hoping to win the Government. The same passion he had then, he has now. He is committed and dedicated

to the task; he wants to build on all that is in education.

He knows that educators, teachers and all those involved in education and in children's issues will make a real difference in people's lives, and I profoundly believe that. He feels a sense of responsibility to this country as a parent, first, and as a politician next. He feels that every child is different but of equal worth and he believes in multiple intelligence.

I have worked in education thirty-five years. I hope that is not telling the Honourable Minister my age, Madam Speaker! And for the exception of when I went abroad on a course, I did not hear anyone talk about Howard Gardner until I heard the Honourable Minister (then the PPM General Secretary) talk about multiple intelligence. It tells me that he has done his research. It also tells me that having come out of the old grammar school system and the old system of Cayman Islands High School that he had been reflecting on his friends who did not do so well. It tells me that he knows his struggles, not academic struggles but struggles in terms of economic standing in trying to become one of our leaders.

I think over the last twenty-something years the Honourable Minister of Education has been putting this plan in place that one day our names and our children's names will be parallel with the names of our people in the Caribbean. Who knows, we may get a Nobel laureate. After all, other Caribbean countries have gotten one. They have come from the same route—the British system—that we have come from.

Madam Speaker, I know a lot has been said about the Minister, but I give him my 100 per cent. Having said that, I know that some of my old colleagues will think that I have betrayed them. But I have not done that because I, too, wish the children and young people of this country to be equal to their Caribbean and international partners in education; that they will be critical thinkers and great communicators, and that the people who come here and take the top jobs will not say, *"You know the Caymanians can't even speak. They don't know how to talk. They substitute the 'v' for the 'w' and they say 'is' where they should say 'are' and they don't articulate the last letter of their word."* That is a cultural thing and that should not bar our children from being the top managers in these financial organisations; or the top managers in the civil service or the hospitality industry. I guess where they may not reach is here, because there is a system which works in a different way.

Madam Speaker, when I was a child my mother who is barely literate . . . I believe she could recognise her name, but she was smart and had good common sense, like our Budget. She worked in the hospital for thirty-six years, but she sold everything except her children. One day a lady came into her yard and wanted two dozen eggs. I said that is twenty four and this lady of prominence said, *"Oh, Maudie, you got to send her to me I can give her some work"*. I



do not know how many of you know my mother but she used such colourful language. She could express herself in the best way; no Nobel laureate could speak like her. And she said, *"My Lucille? She's going to college."*

College? I looked at myself because it was the first I had ever heard the word. But her influence at the hospital with those professionals and how she saw what education did for them—they were not cleaning floors or washing bloody clothes or testing urine. They were doctors and nurses from Jamaica.

She plotted. When I reached 18 years and finished school she went to the Education Department, which at that time did not see people like me moving to college. It was not the thing to do, plus if you did go you were of a different ilk. And she would cloud the place. Beautiful clouds, some were white and black, some grey, some purple and pink. And she said, *"I want a scholarship for my girl."* Where she got that word, I do not know.

I say all of that to tell you that I come from a background having been pushed by a sole parent and having decided that since she had so much interest in me I was going to teach to help spread the news and to influence people, which I did. So I cannot go against the Honourable Minister of Education. Teachers, parents and business people for years have said that our children are not coming out with the prerequisite skills to take up entry level work in our labour market.

#### Hour of interruption—4.30 pm

**The Speaker:** Honourable Member we have reached the hour of interruption. I will ask the Honourable Minister of Health to move the adjournment.

### ADJOURNMENT

**Hon. Anthony S. Eden:** I beg to move the adjournment of this Honourable House until Wednesday, 19 October 2005, at 10 am.

**The Speaker:** The question is that this Honourable House do now adjourn Wednesday, 19 October 2005 at 10 am. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**At 4.32 pm the House stood adjourned until 10 am Wednesday, 19 October 2005.**



**OFFICIAL HANSARD REPORT**  
**FRIDAY**  
**21 OCTOBER 2005**  
**10.29 AM**  
*Sixth Sitting*

**The Speaker:** I will call on the Honourable Temporary Second Official Member to say prayer.

**PRAYERS**

**Hon. Cheryll M. Richards:** Let us pray.

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

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

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

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

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

**Proceedings resumed at 10.32 am**

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

**Apologies**

**The Speaker:** I have received apologies for absence from the First Elected Member for Cayman Brac and Little Cayman.

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

**The Speaker:** I recognise the Honourable Minister of Tourism.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

The statement I wish to make this morning is in connection with the Port Authority of the Cayman Islands and some sustained damage as a result of Hurricane Wilma. The assessment of the damage is still being conducted at this point, and I would respectfully ask that the statement be deferred until later on during this sitting.

**The Speaker:** So ordered.

**GOVERNMENT BUSINESS**

**Debate on the Throne Speech Delivered by His Excellency the Governor on 10 October 2005; Together with the Budget Address Delivered by the Honourable Third Official on 10 October 2005**

*(Continuation of debate thereon)*

**The Speaker:** I recognise the Third Elected Member for the district of George Town continuing her debate.

The Third Elected Member for George Town.

**Miss Lucille D. Seymour:** Thank you very much, Madam Speaker.

First, I must say that we thank God for His safety from Wilma. Our concerns are now with persons in other territories and countries as that terrible hurricane bashes against them.

I also thank the essential services and the various ministries that acted so quickly over these few days to make sure that any impediments which would have prevented people from moving in a purposeful way were removed. I also thank the various churches and friends who helped people move from their homes which were damaged by Hurricane Wilma. It

shows that we in the Cayman Islands still have that neighbourliness about us.

I left off at the last section of the Budget debate presented by the Financial Secretary and the strategic points by our Leader of Government. I said that if we do not give our young people human development in terms of education, they will not have the requisite skills to fill the entry level of our labour market. If that continues happening, then we would have to depend entirely on external labour.

My contribution is mainly on the human development of the people of the Cayman Islands. I have never known ministries, ministers and decision makers to be as united and to pool resources together with the human capital as their primary consideration like the People's Progressive Movement. There has been a combined effort for planned education and strengthening of families and communities in the sum of \$190 million. That is remarkable because we know that education and looking after the social development and transformation of our people is the only way that we will take back this country and restore law and order and good citizens.

In doing so, I ask the question: Who are we developing for? There is a presumption that the Cayman Islands is the fifth largest financial centre in the world. It is a fact that billions [of dollars] pass through this country each year. It is a fact that 40 of the top 50 banks are in our country. Juxtapose this to the development of our people over the last 40 years. Are we ready to be in charge of our financial institutions? Can we quantify, in real terms, that our people have homes that cost over \$400,000? Can we justify that? Can we identify our top academic leaders in this industry? Can we identify our top persons who share more than 50 per cent of the economic spoils? Is it easy to count our entrepreneurs who own businesses for themselves? Would you say that women are being prepared as economic decision makers?

I pause here to address you, Madam Speaker, as a trailblazer, an avant-garde in the liberation of women in this country. I also pause to thank Ms. Berna Murphy and Ms. Heather Bodden for seconding and complying with the motion. It has been quite a long time. You went into the Ministry of Women's Affairs, and that is justifiable to the soul because that is your forte. You were just about to make a difference for women in this country, Madam Speaker, when the clouds came over the Cayman Islands on the day that you were displaced.

I know (better than I know the size shoe I have on my foot) that this country will regret it. The word "woman" was not highlighted. I was there and I know the lengths that you went to, Madam Speaker, to bring consultants in to work with the director of Social Services and all the people on the committee to improve the lot of women in this country.

You knew, Madam Speaker, that once you improved the lot of women in the Cayman Islands life would begin to be better. Life would be better because

if you resource them they can spend more time with their children, educate their children, and they would not have to work three and four jobs, plus the double responsibility of being mother and wife. You knew that, Madam Speaker.

I ask another question: Are our schools competitive? Is there evidence of academia in science, history, social science, economics, music, math, English literature, art, information technology and sports? Is there evidence of our students attending the top universities in the UK, the Caribbean and Canada?

Who are our shining stars to recommend for Rhodes Scholarships, economic science and civic honours regionally and internationally? What innovations have we created?

Are our people trained to manage 50 per cent of the top posts in the hospitality business? Are they trained to command and work in the most lucrative business in the Islands (which is real estate)? If Caymanians over the past 35 years have fulfilled 50 per cent of the questions posed, I have no argument as to whom we are developing for.

This country is an economic and financial wonder, a young nation in real terms, that has catapulted sitting next to the G8 countries in terms of its economic wealth. Two generations of Caymanians have witnessed the ascension to economic greatness, to what I term a "Caymanian dream". Basically, a Caymanian dream is about getting a decent education, learning a skill, getting a well-paying job, building a beautiful house, living in peace with your neighbours (wherever they were born), raising happy and resourceful children, and living in safe and wholesome communities.

Caymanians have witnessed the Caymanian dream. Some of them have partaken of it and gained significantly from it. All the efforts have been to sustain and enhance the billions that pass through here on a yearly basis.

Millions of dollars have been spent to sustain the Immigration Department, which has truly nothing to do with the development of Caymanians per se. It is centre stage for media attention and lots of man hours are spent on making it right. One would say that if the Immigration Department is not right, then our economy fails because it is the engine room of our financial success. This is the case for we need workers to maintain and sustain this economic miracle.

While all of this happens, the Caymanians—who landed first and took up residence more than 300 years ago—were not given first-nation status so that the economic miracle could be for them and about them. However, Madam Speaker, how could we have done that? This is not a difficult question. The difficulty is in the political will; that was the missing link.

Today we ask ourselves in this honourable House, Who are we developing for?

The political will is in us—the People's Progressive Movement. That is why we were formed. We were formed to liberate our people and give them a

chance to develop, a chance to seize the opportunities this economic miracle offers. This is democracy and this is giving people hope and fulfilling their dreams, which is the PPM way.

We want to be able to bask in glory every year in a crock of record CXC and A-level results. But there are still huge problems with educational attainment. For example, do we know how many children come to secondary school each year who have failed to meet the literacy and numeracy targets? The Government can claim improvements on numbers going to higher education and further training, but our main concern is for those leaving innumerate and illiterate. This is what the businesses, parents and people on the street are telling us—our children have been containerised on a conveyor belt through the education process and still come out lacking as functionally literate and numerate.

Standards rule children's chances and equal opportunity is of paramount importance. Education must have a greater impact on the plight of the poorest academic student, whether they are missing, excluded, or in prison. There is no denying using the schools as a key weapon in the fight against social exclusion seems almost contradictory. But I would argue to the contrary. Helping every child fulfill his or her potential is the only way to wipe out exclusion, particularly in breaking the intergenerational cycle.

The PPM Government feels passionate about this. The Honourable Minister has the potential and political will to ensure this happens.

In order to achieve that goal, each child has to be seen as an individual and in a holistic way. We want to be certain that measures are taken to help ensure that vulnerable and challenged children also reach their full potential because if that does not happen, how will they partake of the Caymanian dream? How will they benefit from all of this development? How will we eradicate and ameliorate the problem of crime in our country? We must work to ensure that the twin goals of excellence and inclusion work for the benefit of each child.

Consistently, education reviews have been done which have flagged deficiencies in our education system. However, there are core groups who, instead of swallowing their pride and moving on to implement the strategies of the Department and Ministry of Education to address such, have thwarted their efforts and this has not been today, this has been from the time I was there. There has been a complete "no" to curriculum supervision by certain quarters in education because they feel that they are so adept that they need nobody to supervise them. But we see the results today. They themselves brought some of the deficiencies to the notice of the consultants and should support the measures.

Do they want the status quo to remain or do they want real change? This can only be brought about with a partnership between teachers, the Minis-

try and the Department of Education. The teachers, for example, are more vehement about the reception classes for the primary schools and have lamented since its departure. No minister had the will to put it back except for the Honourable Alden McLaughlin who had the will to address the issues.

I will quote from an issue of the *Jamaica Gleaner*, which I read avidly. In the Caribbean we have the same issues and we should ensure that we know what our Caribbean counterparts are doing. As I said last week, they have their Poet Laureates and their great people. We have even borrowed some of them.

They were talking about the CXC and they said that the best students have come from the traditional schools. We were a grammar school and then we went to comprehensive school and then the Caribbean did the same thing. They have comprehensive schools, or junior secondary schools, and so on, and they have said that research has shown that their best results have come from the traditional schools. What is important that I want to point out here is that it says that until we can get early childhood education right, improvements in future CXC results will continue to be less than satisfactory.

It pained my heart. I was there, but I could not do anything about it, when they took the reception classes out of, in particular, the primary schools except for North Side and, I believe, East End. Then I am told that these are the technical people who must advise the ministers and the chief education officer. I am not talking about the technical people per se in the Education Department. I am talking about my own profession, which is teaching. They really were against the whole idea of our youngest little ones going into reception classes, and I do not know why.

When they took the reception class out of the government schools (except for North Side), the parents had no other recourse but to send their children to the private schools. Not only did the private schools increase their enrollment . . . because if you have them at reception class the parents will say, *'this is the best place for me to keep my children. Let them continue'*. So the private schools continued and they blossomed and I am so happy.

This consideration of the Minister's was always in his mind because I remember when we discussed education in the last three and a half years this was one of the things they said should happen.

School supervision is an integral part of accountability. Yet, despite the department's efforts, it has been keenly resisted by one sector of our school. I want to spend a little time here, from an educational perspective, to say that I do not care what you do in life, if there is not an evaluation process in place to see whether you have done right, whether you have fulfilled your objectives, whether the children have learned or the teachers have taught, then this is where we will be. We will have substandard education

and we will have children who come out of our schools functionally illiterate and functionally enumerate.

Of course, the Minister heard the concerns of some teachers who wanted to have accountability. However, even if we put out one trillion dollars for education, even if we get the best teachers, even if we have the best parents, unless there is a method of accountability and supervision of our children and our curriculum and our schools it comes to naught.

It is the teacher's responsibility to embrace them; otherwise, no change will come about. Our product will not change and the parents and business sector will continue to complain and reinforce the labour market with imported personnel. Perhaps that is the game. I do not know, Madam Speaker.

In the report the teachers talk about what kind of children we want, but I say what kind of teachers we want. Our children deserve teachers who are committed to the cause and who will also take responsibility for their own personal development so that they can be exposed to best practices in teaching and who will admit that they are *in loco parentis*. The great philosopher, Schannel, said that if the child has not learned the teacher has not taught.

There is some merit to this universal belief. In every society teachers are regarded as the agent of change and the pillars of the society. You, Madam Speaker, as well as all of us growing up here in the Cayman Islands looked up to the teachers as though they were some Madonna. We believed in them sincerely. If they told us to stand on our heads, we would have done that.

**An Hon. Member:** True!

**Miss Lucille D. Seymour:** I will tell you, Madam Speaker, with my teacher, if I did not understand or learn a concept I would go back—they would bring me back and I would go back. That is what we call master of teaching which the great philosophers are talking about today. If the teacher has not taught, the child has not learned; and if the child has not learned, the teacher has not taught. Until you are satisfied that that child understands, can follow and implement the instruction, he has not learned anything from you.

Education is about character building, not only academia. There must also be a greater partnership between school and home. I pause here to give kudos to my school colleague, the Honourable Minister of Health, who has introduced in his Ministry National Parenting Education. I think that is great. Perhaps it was started before, but we talk about the political will for continuity.

I agree with the findings of the Report and other reports in regard to parents, but I started this to say that our teachers are *in loco parentis*, and I believe that. I believe that sincerely. I do not know that in the Caribbean that is so because you can still go to schools in Trinidad, Barbados and Jamaica, and even

at the high school level the teachers have a pulse on who the parents are and can go to their homes. Those places are out of bounds for us.

However, here in the safe environment of the Cayman Islands we want our teachers to know their students' parents by name and face. After all, we only have in the government system about 4,000. They can sit up in the stadium and we could address them. It is not a large group of children, so why is it so impossible for our teachers to have that relationship with parents?

Just the other day, a parent came to me and said that she went to speak to a teacher and the teacher would not listen to her. The teacher spoke to her while she was walking and said, *'but this is not how is used to be'*. That teacher should have said, *'I am busy now, I cannot talk to you, but I will see you at such-and-such a time.'* They ensure the importance of parents and perhaps sometimes when parents do things (not that I would not wish them to do anything), I think they are aggravated or, as we would say in the Cayman Islands, *on the situation*.

Be that as it may about our teachers, we must offer incentives to our teachers, especially when we consider that several young high school graduates have opted to serve the country and to look after its educational and social needs rather than choosing the more lucrative careers in business, information technology and law. We must offer incentives not only to attract teachers but to let them be retained in their profession. If our teachers desire a little more money (as was in my case), they have to move out of something that they love dearly and go into administration because that is where the money is. Or, like some others have done, they have to go into private-sector business.

We must be able to attract and retain our teachers through all sorts of incentives. In my research I have seen that the US gives new teachers some assistance and guidance with a mortgage. That is an incentive, and you have no choice but to stay there for 25 or 30 years because someone has helped you with a house.

The People's Progressive Movement is about developing our people. We are inclusive and welcome anyone who has the same dream and wants the same results for our people. After all, everyone must have a slice of the cake. I always say when the tide rises all boats shall rise.

In my early debate I said that I was going to hone in particularly on the goal of strengthening families and human development. I wish to now speak specifically on social development.

We need to take a step back and learn from Ivan. A small society like ours cannot be cordoned off from indecent social ills like acute poverty, crime and violence and get away with it. We cannot shut ourselves out from what is happening in other areas of our country, sometimes only a few streets away.

I quote from *BRUISED INSIDE: What our Children Say about Youth Violence*, put together by Attorneys General of the United States on youth crime and violence. I quote: **“The violent kids are the ones who come from homes with anger. They’re angry about what goes on in their home ... They’re angry to start with. They’re angry when they walk in the schoolhouse door.”**

Another quote: **“There is another kind of violence, and that is violence by talking. It can leave you hurting more than a cut with a knife. It can leave you bruised inside.”**

We spent so much time on the crime bills last week . . . and I know we were criticised on the outside for that, however, we are tongue-in-cheek sometimes. We want something and then we get it, and we are like the dog running after the car.

I quote from a book called *Violence*, by James Gilligan, who is a medical doctor. This is what C. Everett Coop, Surgeon General of the United States said in 1984. He said, “Violence is every bit as much a public health issue for me and my successors in this center as small pox, tuberculosis and syphilis were for my predecessors in the last two centuries.”

That is something, is it not, Madam Speaker? I am glad that the Second Official Member, the Attorney General is present to hear that quote.

Then from someone we admire, such as Gandhi, he said, “The deadliest form of violence is poverty.”

This one, perhaps, may interest you, Madam Speaker. I am glad the Honourable Minister of Health is also here. “When a man is suffering from an infectious disease he is a danger to the community, and it is necessary to restrict his liberty of movement. However, no one associates any idea of guilt with such a situation. On the contrary, he is an object of commiseration to his friends. Such steps as science recommend are taken to cure him of his disease and he submits, as a rule without reluctance, to the curtailment of liberty involved. Meanwhile, the same method in spirit ought to be shown in the treatment of what is called crime.” Bertram Russell, 1918.

So long ago we were given messages about crime. Just as it is impossible for society to escape a contagious disease for a long period once it gets loose in society, it is impossible for us to prevent poverty-related pathologies from spilling over into our country.

You will remember this very well, Madam Speaker, because you were then the Minister of Community Development. You compiled a study after some slayings in George Town, and you requested that the previous Minister of Community Development chair it. I was also part of that membership.

The commission carried out considerable research and collected vast quantities of evidence which one would have assumed would have been put to use by the previous administration. Instead, the United

Democratic Party continued to neglect that area and fostered an environment where low achievement was expected and high levels of crime and violence were tolerated.

The social decay of our country almost seemed deliberate. Regardless, we have to restore peace and order in our country. That is the Caymanian way. To restore peace and order we must begin human development in the Cayman Islands. To do this we must have the will to implement and research manpower planning and human development of Caymanians. This is the primary way to limit social unrest and antisocial behaviour.

We must bring about sustainable development, which is an arduous task, but nevertheless, it is doable and must be done. First, we must show an appreciation for our own people, accepting that all Caymanians have worth, especially those of lesser means or the vulnerable. We must be cognisant of the slow learners and help to shape them to be independent workers and thinkers; to learn to earn their own bread and to improve their lot in life.

Over the decades, past administrations (including the current Leader of the Opposition) developed and implemented programs which addressed the social needs of this country. Unfortunately, in their quest for leadership, the last administration completely missed the boat. While they were trying to reinvent the wheel, they systematically turned a [blind] eye to the social programs which served our people. I am not saying that the programs in those days were perfect, but I can tell you that they were better than what happened under the UDP government.

I say this failure lies squarely on the shoulders and at the feet of the Leader of the Opposition who was then leader of the government. He stood by while some of his ministers performed a disservice to this country. One example of this was Eagle House. In spite of public outcry and the past embarrassment of the West Bay lockup, they still went ahead and created a prison for juveniles who really need rehabilitation, and girls who are in the company of mature female inmates at Fairbanks Division. This is an indictment on this country.

When we place our youth in those situations, regardless of their sector, it shows us what kind of people we want . . . and when I said it was almost deliberate, it tells us why we want to encourage more people coming in and taking the top posts.

We are taking our youth, our vulnerable boys, our young men . . . I know their families. I saw one yesterday who was there. He was well-mannered to me. I said *‘this one has something in him’*.

We must have the will and the right people in the prisons—not just anybody we pick up and make a prison officer, or any person who says they can counsel people. Not at all! We have to vet them properly. We must ensure that when we put our children there to be rehabilitated, our children come out . . . because

you know what, Madam Speaker? They will be marrying our sons and daughters too! It makes sense to implement a place for the rehabilitation of our young people because *there go I but for the grace of God*.

We must ensure that we have proper people. I shall keep a close eye on this prison report because I have my comments to make about that as well, which I shall do.

If our own people are unfit to be prison officers, then we have to vet those who come here. In the 5<sup>th</sup> century, Plato himself said that young people are lazy in discipline. This is how many years afterwards? We have to try with them. They are not only from the vulnerable areas of our society; they are also from the mid and upper classes. Are we going to have a nice place for some and bad places for others? As the Minister would say, that will not happen on my watch.

I apologise, but I am passionate about this. I see too many young boys wasting their lives. We, in this honourable House, sit here. But what do we do? We need to get technical people who can help us build a rehabilitation centre for our young boys, in particular, because our girls learn by default. Their mothers teach them in this manner, and they learn how to organise their lives.

What a cleanup job the Minister of Health and Human Services, the Honourable Anthony S. Eden and the First Official Member, the Honourable George A. McCarthy, have! I will be there not only watching, but ensuring that the Non-governmental organisations (NGOs), agencies, sports, and churches help us.

Instead of saying we have no culture, we have to appreciate and support the Caymanian traditions. Our culture has been forced to the bottom and subsumed by other ways of life. No one who steps on a plane headed to the Cayman Islands will leave his cultural suitcase behind. He or she will pack his or her traditions and bring them here. Our culture must be so strong that when people come here they are immersed in it. We need those who work in our country to see our background through our eyes, research and understand it. I refer to those we have hired to sustain and improve our culture. They must seize every opportunity to understand and study our traditions and teach them to others who come here.

We must not miss an opportunity to involve people in our way of life because this is where appreciation occurs. The people in the frontline of our industry must be engrossed in our culture and be ambassadors of the Caymanian way to those who come to our shores. It is a big deal when you go to any gas station or establishment where there are many immigrant labourers and you ask *'How can I get to the Turtle Farm?'* In different languages or tones they will say *'me nah know'* or *'I din't know'*. That is an indictment on us; they are on the frontline of our industry.

I am pleased that the Honourable Minister of Tourism will revisit the Tourism Development Plan. I know he has inculcated our culture in the people who come to work here so that they can exude it in the

Caymanian way. When you are in Rome, you do what the Romans do.

To enhance our culture we must ensure that we train Caymanian teachers to instill our beliefs and our values. It is because of our beliefs and values that we can make moral judgments about right and wrong, about what is good for us and what is bad.

This comment casts no reflection on those we recruit from outside. We appreciate their contribution and they have been part of the economic miracle. However, the overseas teachers would be the first to admit that their people immerse them in their own culture and history. I speak from experience. It was my own teachers in the primary level who taught me the customs and traditions of Cayman. They took me on the journey of my own history and culture, which left in my heart a true appreciation of my country and its people.

Who really helps children write local plays and poems about Cayman? This is a criticism from those in our cultural institutions. Let them show me that I am totally wrong. How come there are no prodigies of Dave Martins, Ms. Lassie, Radley Gourzong or Hobey Martin? The list can go on and on. Are those young people properly trained to promote the Caymanian drama and local art?

Madam Speaker, I am not wrong when I say that we need to develop a factor of human capital because it really is the critical point to the survival of the Caymanian nation and its people. I would like everyone to carefully listen to what I say.

If every aspect of our lives is taught by outsiders, and to some extent represented by outsiders, very soon we will breach the human rights declaration instituted more than 45 years ago. There will be no place for the indigenous; they will have to take their issue to the Human Rights International Court.

We can cite places. Madam Speaker, you and I just returned from Fiji where they changed their constitution to ensure that the indigenous people were primary. We cannot overemphasise that Caymanians must be given skills to live and work. This must be a conscious decision which is followed through most aggressively by the Education and Human Services Ministries. I stand here today elated that those Ministries have combined their efforts to ensure human development.

The skills must not only enable our people to work, they must extend to being good citizens with good values and principles that will enhance the survival of the family and the country. An educated population drives the engine of a socially balanced country.

At times we have taken too long in putting people first in Cayman and resourcing the needs of the community. Education and community development have been placed as high priority for this PPM Government. Education is not a privilege. Like equality, it is an integral part of the democratic process and it aids in equal opportunity for all.



R.S. Peters, a well-known philosopher, said that an educated man is one who understands the world in which he lives, is able to rationalise and solve problems, possess the skills to promote change if it is viable and can accept and adapt to change. Madam Speaker, you can see quite clearly that the PPM's manifesto subscribes to what Peters imputes. We choose educated people who not only must know about a subject but also know about human interactions, can solve problems rationally and adapt to change.

It is therefore important that we have the political will to change the system not just to train people but to educate them. This means, as well, that the education laws, statutes and acts must change to keep pace with the community needs and desire for education.

The manifesto and the solution for the Education Conference offered the mandate for preparing our children for the 21<sup>st</sup> century, not just to pass exams, but acquire an education which makes them critical thinkers, good communicators and problem solvers. This varied education gives them more flexibility to make rational choices about the lifestyles they want to lead. We must act today—right now—if we want the human capital to be the cornerstone upon which hinges the social, economic and well-being of our society. This is clearly the Minister's mandate.

I endorse the mandate of the Ministers who are involved in the \$191 million for family and community development.

Surely, the young person who elects not to be antisocial or take drugs makes the choice not to do so because of his education and entrepreneurial journey which develops him into a rational, critical person.

**The Speaker:** Honourable Member, is this a convenient time for you to take the morning break, or do you prefer to go on?

**Miss Lucille D. Seymour:** Yes, Madam Speaker.

**The Speaker:** Proceedings will be suspended for 15 minutes. I ask Honourable Members, since we lost Wednesday and Thursday, that we resume at quarter to 12.

**Proceedings suspended at 11.29 am**

**Proceedings resumed at 11.49 am**

**The Speaker:** Please be seated. Proceedings are resumed. The Third Elected Member for the district of George Town continuing her debate.

For the benefit of The Third Elected Member, you have 31 minutes remaining.

**Miss Lucille D. Seymour:** Thank you very much, Madam Speaker.

I touched upon the issue of social development before the break. I say that it is only through moral decision and judgment that takes root from an appropriate upbringing that will make our young people, or anyone, know the difference between right and wrong. This is coupled with the fact that education must tool [young people] with a plethora of skills to survive.

Moral education and moral conscience, which are embedded in quality and functional education, are tools which have allowed all of us to say *'there go I but for the grace of God'*. In today's society we must ensure that our young people (as obstinate as we may think they are) get a good grounding in moral education which comes from the values that Caymanians have, the belief system, and what teachers and parents teach them.

When they decide to do something such as sell drugs, I sincerely believe that it is only a moral decision someone must make to say, *'you know, if I continue this it is going to destroy my brothers, my sisters and the children of this country'*. That is the only thing which must come upon people like that. It must be a moral conscience which they have.

Additionally, we have to offer our children a great education because, as we said before, it is the passport to success. This does not mean that there are not human frailties and that our young people will not get caught up in unsavoury things. After all, they are human. However, let it not be said that the political will was not there to provide quality education for all. Let it not be said that there were no political directives to limit our young people from falling into a cesspool of hopelessness.

We, the political directorate, shall not sit on the fence with our heads in the air, while our young people are convicted of crimes. It can be prevented not only through legislation, but from the way in which we live our lives, and the policies we enforce for our civil servants and parents as well.

I am not here to say that we must be that mandatory. But I do say we need to put things in place so that when young people make a decision to go against decency, they will reflect (like all of us have) on their lives. We are human beings and we have been tempted in many respects to walk on one side or the other. I do not say the right side is right and the left side is wrong, I say one side or the other.

We had a support system of community and parents, and even though we may have come from a single-parent family, we had neighbours, the village and school teachers, in particular, who helped us.

I remember my Spanish teacher, Mrs. Ashwood. One day I decided (made a judgment) to not wear socks to school. She never embarrassed me, but she did call me aside and said, *'I know your mother, and your mother did not send you like this. If you do not go home in five minutes and get back . . . you will see'*. In addition to that, she gave me an order

mark. I will never forget that. I was young. It is our teachers as *in loco parentis* who will help our young people.

I know those in my profession will say this is a different time. I am sorry, but Plato had the same time too. He said they were obstinate and undisciplined and so on. We, as adults, must set the tone. Even in this House we must set the tone by how we say things about each other over the microphone.

Sustainable communities give all of these young people a better chance. I know the Honourable Minister of Health, and his Permanent Secretary (or whoever succeeds him), has as priority that communities are where our lives begin. It begins with the parents and the community, and it goes into the school and society. I know that he has that on his agenda.

Let it not be said that the PPM developed a nation for others (remember, I asked who are we developing for) while our own look on waiting for crumbs to drop from the table in a state of hopelessness? Shall I say it again, Madam Speaker? Let it not be said that the PPM Government has developed a nation for others while our own look on waiting for the crumbs to drop from the table in a state of hopelessness.

The wind of change begins with me, begins with us in these honourable and hallowed halls. This is the day the Lord has made. Let us rejoice and be glad that the PPM has the opportunity to change the lives of others.

This is an excellent Budget and, again, I thank the architects. It is about the people and for the people. This is certainly an historic time in our lives when Government sees people first. The PPM Government's vision for the people is that no one falls through the safety net and there will be no forgotten Caymanians.

The Government must lead in social responsibility. There is no doubt in my mind that our partners, the private sector, will further enhance their role in social responsibility and expand their sponsorship to this cause. The private sector is a pillar of influence and a living human being. Within that organisation there are people with feelings and people who work with them. Therefore, charity begins at home.

They must begin with ensuring that there are incentives and other things which will help children of single families grow and be prepared for a better society. I applaud the private sector because many of them have done well, in particular over Hurricane Ivan. Some of them have not done so well, but I beseech and implore them to join as partners with us.

This is a different Government. They can ask us for sponsorship. We will not take their money or anything like that. We believe in the betterment of our people. I know they have helped us, but I ask them to help us more, in particular with sports, parenting programs and anything to do with the development of young people. Just as the Government rethought its Budget to spend more money on the development of

the human capital, I ask the private sector when they prepare their budgets to offer a considerable amount of money or resources to help their people who work with them as well as those outside.

We know that the Government is stretched and that for a number of years we will have the responsibility that Hurricane Ivan has left. However, there are projects like the parenting program which Ministers must get toe-to-toe on and ensure that parents attend. Of the people I know in the private sector, some are already doing that. However, we need them to search in their coffers long and hard to produce some.

Like the Government, our partners in the private sector must have a vision that no one be left behind. This must be our mantra: no one left to crime; no one left to poverty; no one left to prisons; no one left to chance; no one left to hopelessness or despair; everyone a winner.

All of our partners, private sector and civil society, must come together to maintain the sanity of our nation. Neither crime nor lawlessness is a government affair. This is a partner affair; a partnership with parents, civil society and, in particular, the private sector.

Antisocial behaviour not only destroys a great country like Cayman, it destroys us as individuals for fear creeps into our lives. There is nothing quite as debilitating to our psyche as fear. We are people of warmth. Fear takes away warmth leaving you cold and indifferent, intolerant and lacking in reconciliation. We do not wish to have a shut-in society where we only communicate over the phone, or we have gates that we claim keep people out. We like to bask in the sun, walk in the parks and byways, and watch sunsets from our beaches and our homes. To do this and allow Cayman to remain safe, all of us have a part to play in the prevention of crime and violence.

Today we must take a small step and begin with ourselves. Let us care for each other, let us speak to our neighbours, let us notice the stranger when he passes on the street and say a simple '*hello*' or '*good morning*'. This is the warmth; this is being human; this is caring about people; this is love. This is the Caymanian way. This is the right way. When we do these things the right way, blessings fall on us and our children go well in the sight of the Lord. Then this nation will have peace, prosperity and progress.

I have reached the end of my debate on the Budget. I focused on only one of 11 goals, strengthening families and communities, because, as I said before, I think that is the right way we must go. We have spent an inordinate amount of time and resources on structures. Budget after budget in my time were just about how we make money. However, I am now pleased to say that in my time the PPM Government, who has the people first, decided this area is so critical to the whole history and future of the Cayman Islands. We are willing to agree that 50 per cent of this Budget must go to the human capital development. Notwithstanding other things which may be needed

within the Ministries, we are focusing on education, health, community development and families.

I know the critics will come back and hit me on the head, but I dare them to come back and say that this is not the right thing for the Cayman Islands. I do not care what language they use, this is the right thing. It is no good for us anymore to keep saying, 'You hear what happened last night? Somebody shot somebody, you know?' It is time that it stops. It has to stop!

We must stop sitting on the fence. I apply to this House as well because I know the naysayers will get up and say what they have to say.

This is my Cayman.

This is your Cayman.

This is our Cayman.

I want to be an octogenarian sitting in my little home, like my mother who died at 90. She watched young people pass by and said 'good morning' and 'good evening'.

Do not come to me, a frail woman, and break my home and break my head, thief me out and then thief someone else down the road. All we say is 'that is how it is in Jamaica too and that's how it is in Miami'. That is not good enough!

I challenge the Minister of Education and the Minister of Human Services. I challenge them and I support them and let them know that I will be on their tails to ensure that this Cayman is not just a place to make money. This Cayman is where I sleep and where I will die. It is where we raise our children, where we work, where we live and where we love.

The Government and the Opposition have to come together to say enough is enough. We want our streets and freedom back!

Thank you, Madam Speaker.

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

The Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Madam Speaker, before I begin, I want to say we have been fortunate in the past recent days. By almighty God's help we have dodged another bullet here in these Islands. Although not entirely unscathed, we certainly have a lot to be thankful for. We hope that the folks yet to receive Hurricane Wilma's treatment will come out as well as we did.

Just over a year ago we went through a very difficult and trying time in the Cayman Islands. Certainly, with the weather pattern as it is now and the predicted weather patterns for the foreseeable future, it has become more the norm than the exception and therefore we cannot be complacent. We all have a role to play when these things threaten.

In my district of Bodden Town we have had quite a bit of flooding in the Savannah/Newlands area.

This is something that we as a Government will have to deal with to prevent such reoccurrences. It will not be an easy task because it has been on the table for a long time to look at. The amount of flooding that comes from the gully in the Savannah area with inclement, rough weather is certainly not something we will shy away from because we have to deal with it. For those in Savannah who were flooded from their homes yesterday, we pray everything will be well for them.

It is an honour for me to deliver my maiden debate on the Throne Speech and Budget Address in this honourable House. I join my colleague from Cayman Brac and Little Cayman in wishing all the best to His Excellency and his wife, Emma, on their departure from these shores. We wish them many good years in retirement.

It is a time of change in the Cayman Islands. We await a new Governor. We recently welcomed a new Police Commissioner and we have a new Government not even six months old. I think now it is time for our people to change too. Change is not easy, but we must change if we are to make a difference in this country we all claim we love so dearly. Hard decisions must be made in the near future, and this PPM Government will not shy away from these.

In his Address, His Excellency touched on a number of areas this Government has given priority to: post-Hurricane Ivan restoration; law and order; social services, including education, health and family-related services; ongoing support for key economic sectors, that is, tourism and financial services; and the delivery of an efficient and effective government. I will deal with these in more detail later on in my debate.

His Excellency also commended us for embarking on public sector reform as a country, not only from the finance side but from the management and personnel side. (A Bill will be tabled shortly in this honourable House.) This is an area that will require government personnel to change their old habits and prove their worth to ensure upward mobility and pay within the service. Individuals will be encouraged to perform and give their best. We have (and had) great civil servants who have kept this country going regardless of the administration in power. However, it is well known that civil servants can frustrate the best-laid plans of an administration if they so wish or if they are not motivated to lend their support. We need to ensure that we have a contented, motivated and able workforce in the public sector to deliver the best services and outputs possible.

His Excellency also commented on our relationship with the UK. He readily agreed there have been some turbulent times as of late, and a general lack of support when we were at our most desperate after Hurricane Ivan. We look forward to the European Union in some way making up for this by contributing funds from their Emergency Assistance Program in the next few months. We will wait. Hopefully, the

funds will reach here. Nonetheless, we will continue to expect them.

It is not easy, sometimes, when you are dependent upon someone else because, to a large extent, they control your fate and destiny. Sometimes they take you in directions that you do not necessarily want to go, but we hope we can work on a genuine partnership with the UK. We hope they will see the true worth of the Cayman Islands and be a little more supportive to us during times we really need them.

The need for constitutional modernisation was also addressed by His Excellency. He expressed the wish to see this process under way by next year and complete it before the next General Election. Government shares this view.

The Cayman/UK relationship will not always be smooth running. However, for the foreseeable future we need to preserve this and ensure that we modernise as much as possible and prepare our people for the day we are asked to leave home. Make no bones about it. That day will come. How soon I am not here to say. But as a country, we must put our people in a position to determine our future when that time does come.

Pressure is constantly applied to the UK from the European Union, and it is passed on to its territories. I use the example of the Human Rights provisions that sometimes go against many of our traditional values. It is a test of our faith and strength as to how much we can endure.

Tax initiatives are another concern, and the list goes on. We see these challenges on the horizon and we have to prepare ourselves for the inevitable.

Finally, His Excellency asked that we preserve our natural environment as this is crucial to our future development. There must be balanced growth to ensure that we do this. We, as a Government also share this vision.

I now turn my attention to the Budget that has been laid [on the Table] by the Honourable Financial Secretary for the 2005/6 year. I have the utmost respect for the Financial Secretary. Although he is one year younger than me, we grew up together; we played together and hung out together. We may even run together one of these days (as the Leader of the Opposition has just said). I trust his judgment.

I quote from the Honourable Financial Secretary's Budget address: "... **the 2005/6 Budget is a common-sense budget that reflects a careful and deliberate plan of action established by the Government.**

**"It is a budget that allocates resources to the Government's highest priority outcomes.**

**"It is a budget that addresses the needs of today while also preparing for the needs of the future.**

**"It is a budget that recognises the differing circumstances of the three Islands, and allocates resources accordingly.**

**"It is a budget that supports the economy – particularly the key sectors of financial services and tourism that drive the economy.**

**"Madam Speaker, it is a budget that is fiscally responsible; it complies with both the Government's fiscal strategy and the Principles of Responsible Financial Management set out in the Public Management and Finance Law."**

This Budget consists of \$367.3 million, with \$80 million of capital expenditure. I say to the Leader of the Opposition, there goes the cash that he told us he gave us. I am sure he would prefer that we not give it back, so we will use it!

I am proud to be part of a Government that produced a fine document such as our manifesto that allowed the Financial Secretary and his team to plan and prepare for this administration.

*[Inaudible comment from Members of the House]*

**Mr. Osbourne V. Bodden:** Madam Speaker, I think I need to repeat that: I am proud to be part of a Government that produced a fine document such as our manifesto that allowed the Financial Secretary and his team to plan and prepare for this administration.

I do not know how often that happened in the past, but . . . I do not think it has ever happened!

*[Inaudible comment from Members of the House]*

**Mr. Osbourne V. Bodden:** I do not think so.

The PPM manifesto is a comprehensive set of goals for this administration, and if we achieve even 75 per cent of it, we will have done wonders for this country.

It is a blueprint for the next four years and we will drive this agenda forward. It was put together after many hours of consultation with the public, and we have a clear mandate to initiate change. As I said in the beginning, change is a must because at the end of the day it does not matter who stands here. If change does not take place the results will be the same.

Returning to the Budget and the numbers therein: it shows a surplus of \$3.3 million before extraordinary items, or \$13.4 million. The \$13.4 million relates to Hurricane Ivan, and \$5 million of that \$13.4 million is for remediation alone. This leaves an operating loss of \$10.1 million.

The extraordinary items will fall away after this year, and God forbid that we have them next year in terms of another disaster. Hence, the best measure of this Budget is indeed the \$3.3 million surplus before these extraordinary items. That is a very important fact because someone will look at the Budget and say we have a \$10 million loss. However, the truth is, that only occurred because of \$13 million of extraordinary items, one-off expenses relating to Hurricane Ivan. Therefore, \$3.3 million surplus is the true position.

The public debt is forecast to be \$211 million at the end of the fiscal year. An increase of \$63 million

will be used to fund new schools, roads and other key infrastructure upgrades. This has been achieved by keeping well within borrowing guidelines, and the total cash equivalent position at the end of the fiscal year is forecast at \$71.2 million, just short of the \$80 million held at the end of June 2005.

Again, I ask the Leader of the Opposition to take note because we will have done a lot of things during the year and we will still be back in a very good position come the end of June 2006. That is good fiscal management.

The use of \$27 million of existing cash to finance capital expenditure reduces Government borrowing requirements. Cash reserves are maintained at a level of 76 days of expenditure, far in excess of the 45-day minimum. This is a remarkable feat and has been achieved without new taxes, apart from \$1.5 million which was raised from the Mutual Funds sector. This speaks to a Budget and Administration that will work well with tight constraints on spending.

Wastage and splurging—which was the norm under the previous administration—will no longer occur. We will prove to the general public and private sector that we are indeed a Government that you can trust, as well as a Government that needs and deserves their fullest support.

Included in the overall expenditure figure of \$367 million is \$4.2 million of Public Authorities losses. This is significantly reduced from the \$8.8 million estimated for the 2004/5 financial year. It is even more dramatic compared to the strategic policy statement forecast of \$23 million. This is a reflection of progress on Government's objective that public authorities achieve an overall break-even point in the next three to four years.

To be fair, at this juncture I need to disclose the change in accounting treatment for Cayman Airways Ltd. because that affects the \$4.2 million I alluded to earlier. Whereas Cayman Airways Ltd. has always been deficit funded, the plan in conjunction with the vision of the new Board is for Government to purchase certain outputs from Cayman Airways Ltd., thereby showing its true worth to the economy. This has been done by purchasing two new outputs, totaling \$9.8 million from Cayman Airways Ltd. These are services to Cayman Brac and Little Cayman and other strategic tourism routes.

This approach improves the transparency of government funding to Cayman Airways Ltd. and provides better expenditure prioritisation decisions by Ministers. The financial forecast of this Budget fully complies with the Public Management Finance Law (PMFL). I will go into that in a little more detail by referring to the Financial Secretary's Budget Address.

He explains how we comply with the PMFL and it says, **"The operating surplus before Extraordinary Items is positive as required by those Principles. Core Government's Net Worth is also positive – as required..."**

**"The Debt Service ratio, which measures the debt-servicing burden of the Government, is forecast to be 6.8% of Core Government revenue; well below the 10% required by the Principles.**

**"The Net Debt ratio, which is a measure of the sustainability of the total amount of public debt, is forecast to be 6.4% of Core Government's revenue, again well below the 80% required by the Principles."**

I have alluded to this before, but this has a little more detail, **"Finally, cash reserves are forecast to be at a level equal to 76 days of executive expenditure. This is in excess of the 45 days required by the Law for 2005/6, the 60 days required for 2006/7 and the 75 days required by 2007/8."**

Madam Speaker, I now move to some other areas of concern that overlap and underpin both the Throne Speech and Budget Address as these issues drive the whole process and determine the content of both documents.

There are currently two matters of grave concern in the Cayman Islands: one is crime and the other is the cost of living. I think it was last week that the whole House debated (when we were going through the Bills related to crime) the Penal Code, the legal system and the tightening of all of the sentences. The entire House debated in length on the issue of crime in our country today, the seriousness and how it affects every one of us. We pleaded with this country, and the people listening, to work together hand-in-hand with our Police, our Immigration, our Customs and anyone else involved, in an attempt to bring this back under control and eliminate it if possible.

I do not wish to rehash the crime debate. However, I cannot help but think how irresponsible the previous administration was in 2003 when they granted in excess of 3,000 Cayman status applications, many to undeserving individuals. It was done without due diligence because it was impossible for us to check the background of the recipients. Yes, I come back with it again.

The Leader of the Opposition obviously still does not realise the seriousness. Instead of saying sorry to this country—

**Hon. W. McKeeva Bush:** I am not sorry for giving them status!

**Mr. Osbourne V. Bodden:** You should be, sir.

**Hon. W. McKeeva Bush:** No. I am only sorry that you got elected on that basis.

**Mr. Osbourne V. Bodden:** Madam Speaker, the fact that someone could get elected on that basis shows the seriousness of the situation!

When we give Cayman status, it should be given to deserving, hard working individuals, not to

people we do not know, nor their siblings. Then we end up with a situation where we still have people coming to this country that we know nothing about and they can walk in and say, *'I am Caymanian'*.

Unfortunately, I do not have any statistics. I wish I did. Nonetheless, I can guarantee you, Madam Speaker, that the issue of high crime in Cayman is partly attributable to that type of irresponsible behaviour.

**Hon. W. McKeeva Bush:** Madam Speaker, on a point of order.

**The Speaker:** May I hear your order?

**Hon. W. McKeeva Bush:** Madam Speaker, the Member must produce empirical proof that the granting of status caused a rise in crime in this country.

**The Speaker:** Honourable Member, I do not consider that a point of order because he plainly stated he had no statistics on it, but he felt that it would show that this is in it.

Third Elected Member for Bodden Town, would you continue your debate?

**Hon. W. McKeeva Bush:** Madam—

**The Speaker:** Honourable Leader of the Opposition, I have made my ruling on that point of order—

**Hon. W. McKeeva Bush:** Madam Speaker, I think I have a right to pose a question here.

**The Speaker:** If you have another point of order, yes.

**Hon. W. McKeeva Bush:** Yes.

Is it the Member's opinion, or is he offering empirical evidence?

**The Speaker:** Honourable Leader of the Opposition, I say, once again, that is not a point of order. The Third Elected Member for Bodden Town has plainly stated he has no statistics, but it will be proven down the road, as far as he is concerned, to be one of the problems.

The Third Elected Member for Bodden Town, would you please continue your debate?

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker.

*[Inaudible comment from Member of the House]*

**Mr. Osbourne V. Bodden:** It is my opinion, Madam Speaker.

They say the proof of the pie is in the eating, and the Leader of the Opposition will eat his pie one of these days.

Madam Speaker, we are all in this together as far as crime goes in this country. I am glad that we now have a new Commissioner who appears to be full of energy and ideas and with a good reputation and long history, from what I can see his entire adult life, in the Police Force. His comments in today's *Caymanian Compass* were very interesting. He said, **"It is my intention to make the Cayman Islands the most hostile environment for crime and criminals in the Caribbean area."** When he begins with comments like that he certainly has my full support and the support of this Government.

He went on in the article to beseech the public for their support. Any police service is only as good as the support it receives from the public; but, on the other hand, the public must believe in its police force. Therefore, the Commissioner has his hands full.

We have all heard stories of problems within the Force and people are reluctant to offer their support for fear of retribution. Hence, I implore the new Commissioner to hit the ground running and ensure that those under his charge are held in the highest esteem in this country. Then they will have no problem being supported by the Cayman public.

In my mind, the single biggest problem in terms of crime in this country is the parents of our youth. We have to realise that it is not the responsibility of the Police Force or the teachers to raise our children. When we bring a child into this world we have a duty to ensure that he or she is brought up in a law-abiding and respectful manner.

Perhaps it is time parents were held accountable for their children. Perhaps it is time for us to look at imposing sanctions on them. For example, if we had a point system, we could put points against driver's licenses. Parents need to know they have a duty to ensure that when their child leaves home he or she will behave. If not, parents will end up feeling the pinch. Then it may bring some reality into parents' lives who many times willfully neglect these young people.

Some parents say they cannot control their four- or five-year-old. Imagine when that child becomes a teenager! We have to wake up and change our ways.

In addition to our Police Service, we have our Customs and Immigration, as well as other essential services we must depend on to help us eradicate our problem. We have to know we can depend on these services and that they are free from any corruption or negative influences. We must ensure we have the best services, and in turn we will provide maximum resources for them to do their jobs.

We also have our Prison Service issues. I grew up in this country and I have seen what I call the "forming of criminals". Too often I have seen our young men, especially, who spend their lives from one jail sentence to the next. They spend a little time out and they go right back in. This is not what we need. We need proper rehabilitation, and to have that we

need a Prison Service that is run in the proper manner.

There are stories about situations at the prison, such as the ease of obtaining drugs. Only recently we had an incident where one of the prison officers was found providing drugs to the prison. We have to look carefully at who we employ at our prisons.

Recently we held a Public Accounts hearing attended by the Prison Director and staff. We said these same things to the Prison Director, as well as our Chief Secretary, the First Official Member. In our opinion, we need a review of our Prison Services. There are simply too many reports of impropriety and improper conduct in our prisons. All of this adds up to the high crime we see in our country.

We, as a new administration, would be failing in our duty if we did not get a handle on these types of situations. We must bring in whoever we need to do a proper top-down/bottom-up review. I know the First Official Member has provided his commitment to us that this will be done.

We need to eradicate any type of improper behaviour at our prisons because that is where our young men and women go to be incarcerated. They are often times hardened criminals. I had one young man say to me, *'I went into prison the first time for trivial matters. You know, I sat with some hard-core guys and when it was done I found myself changed.'* His life changed and he went downhill. It is very important for us to get that area under control.

Please forgive the pun, but we have a burning issue in our Fire Service. They say *'where there is smoke there is fire'* and I am sure the Fire Service can relate to that. There was a recent letter in the paper from management responding to some accusations. Again, the people on our side have to ensure we look into whatever is said. I have had many representations from firemen before and since I was elected regarding situations at the Fire Service. They say it is not the same place it used to be.

They say some people are being disciplined while others are getting away. In other words, there is favouritism. They say management is not playing its part. I cannot take their word as gospel, but when you hear it more than once you have to wonder.

It is incumbent upon us as a new Government to look into this matter. Our Fire Service is a glowing department and has done very well, especially since Hurricane Ivan. They really held our country together, but they felt neglected after putting in so much effort after that disaster. They feel they are not properly paid and the morale is at an all-time low. They feel what always used to be a 100 per cent Caymanian service is going to change because many of them are leaving and some have already left.

As a proud Caymanian, I certainly wish to see our Fire Service continue its proud tradition. Therefore, I again beg that this matter be looked into and

rectified where possible. We do not want this to blow up in our face.

A salary review has been commissioned across the Public Service, and I hope it will be completed quickly. I have found, to my dismay, that we have civil servants across the board that have been working 20 to 30 years and are considered, in some cases, middle management. Some are still earning roughly \$3,000 per month. For someone to have a family in this day and age, a comfortable home, a nice car and perhaps a boat, \$3,000 per month is extremely difficult to maintain all of that. I ask workers to be patient until we can get a handle on the situation because we are aware of it and it must be dealt with as quickly as possible.

I hope that when the salary increases come they will come in the form of a staggered percentage and not an across-the-board raise. Although we cannot close the gap, this would only serve to broaden it. We are mindful of the fact we have people in lower levels, middle levels and upper levels. However, I believe our lower levels have been neglected, as well as our middle levels to a certain extent, in the past. These are the people who are suffering now and therefore we need to make sure.

The same crime I spoke of earlier and the same social breakdown we all know exists will continue to worsen if we do not get this under control and pay people properly. A lot of these same workers are in service industries, and it forces them to step outside to supplement what they are making. Those who do not have the ability to do that are sometimes forced to look at illegal activity.

We cannot legislate morals. We cannot tell them exactly how to live their lives. As a Government, we should at least ensure that as long as they put in an honest day's work they are given an honest day's pay. I feel confident that with the public-sector reform, the management side of it coming on line, these same people will see they will be rewarded for their hard work. It is not an overnight fix, but we are all in this together. I ask everyone to hang in and let us get through this difficult time. Government does not have a lot of resources. We cannot throw money at this and fix it instantly. We have to work our way through this and I am positive we will.

The one thing we do not want to do is eradicate our middle class in this country. Middle class in any country is the glue that keeps it together. I liken it to a midfield player on a football team which ties the defence to the forward. That is the same as our middle class. We have to protect these people while striving to have everyone above the poverty level, whatever that may be. Again, this is another important issue.

The poverty level in this country needs to be determined (if it has not already) as soon as possible. No one in the Cayman Islands should exist below the poverty level. We have done too well over the years.

We must seek to ensure that we bring our people along, that no one gets left behind and that we can survive in a legal and fair way in our own country.

**The Speaker:** Honourable Member, is this a convenient time to take the luncheon break?

**Mr. Osbourne V. Bodden:** Yes, Madam Speaker.

**The Speaker:** Proceedings will be suspended until 2.30.

**Proceedings suspended at 1.21 pm**

**Proceedings resumed at 2.34 pm**

**The Speaker:** Please be seated.

Proceedings are resumed. Debate continues on the Throne Speech and the Budget address. The Third Elected Member for the district of Bodden Town continuing his debate.

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker.

Just before the lunch break I was speaking about the importance of the middle class in any society. This is tied in with the whole concept of education and the need for technical studies in this country.

In this Budget, we have dedicated 25 per cent to education and another 25 per cent to families and community initiatives—one-half of the Budget. That shows the importance we have placed on this area in today's society. As I said earlier, unless we take care of our people and prepare them, woe be unto us.

Just last week my good friend, The Minister of Education, laid the Report of National Consensus of the Future of Education in the Cayman Islands on the Table of this honourable House. This Report was formulated by the work of over 600 persons at an Education Conference held in September of this year. Among these 600 persons were teachers, administrative officers, parents, members of the general public, and representatives of Cayman Brac and Little Cayman.

Over a two-day period they exchanged ideas and put forth solutions to help us plot the way forward. Some of the main points came as little surprise, such as the need for vocational studies from the primary level, an area I feel very strongly about. It has constantly been given lip service in this country but very little has been done. We need to show our young people that nothing at all is wrong with blue-collar jobs. There are many highly paid blue-collar jobs; therefore, we need to develop our own carpenters, masons, electricians, plumbers and the like. This would ease the pressure from the importation of foreign labour, while at the same time it would [allow] our own people to develop their business ventures and give them a stake in their community.

They also identified the need for curriculum improvements, and I think this is a well-documented fact. We need to sort out our curriculum and ensure we standardise many things which are, at the moment, a bit disjointed. We need better pay and better overall treatment of our teachers. As well, we need better recruitment of teachers.

Teaching is a noble profession. Teaching is not unlike medicine or the ministry where you must have the right heart. My mother always told me that people in these professions need to have heart; they cannot go in just for the pay. That applies to the teaching profession.

Over the years we have had many good teachers come to these shores. Many of us, especially our younger people, are the product of many imported teachers. We have developed many good teachers along the way. Some of these teachers have now left the system because the system did not treat them fairly. We must be compassionate with our teachers. It should not be that if you have to take leave for a family illness or some other matter you are castigated for it. We should show sympathy and empathy for those people.

A particular message from the Report was the call for more autonomy for school principals who, up until this point, had to go to the Education Department for even a toothbrush. What is the need for a principal, if that is the case? You could simply have teachers organise themselves, then you would not need a highly paid principal. A principal is the head of a school and, as such, should be able to make the proper decisions that affect the school, at least on a daily basis. If they do not perform that task properly you remove them.

Another thing highlighted was the need to identify those kids who require special attention from an early age, which is so crucial to their development. Sometimes we have kids who progress through the school system and it is not until they are near the end that we realise they are challenged and should have been given special treatment. It is very important that these children are dealt with. Attention needs to be focused on issues such as their eyesight, for example. Some children go through school not able to see properly, they do not do well and we wonder why. Something as simple as not being able to see properly can be fixed with a pair of glasses, perhaps an operation or whatever solution would cure it.

There is also the very important concept of multiple intelligence, the different rates and types of learners. Up until now this has been largely ignored.

The management of the Education Department was also identified as a priority for improvement, and the role of parents was highlighted as extremely important. I touched on the role of parents earlier in regard to our society in general. However, as a parent of a child in primary school, I can tell you, Madam Speaker, the ones who do well are those whose parents are involved in fundraising efforts, the PTA meet-



ings and who interact with the teachers and the principal at school. Too many parents drop their kids off (or their kids are picked up and taken to school) and they do not know a thing about them until they come home in the evening. They are unable to help them with their homework and they do not understand what is happening in the school. This, so often, is where we go wrong.

Discipline problems are also another issue. Discipline policies have to be implemented and tightened and the “problem families” that these children come from need to be addressed through our Social Services.

I think that the day we took the strap out of our schools things went downhill. I remember going to school and dealing with the little problems we had. Someone smoking a cigarette was considered a big problem and the teachers would be all over that person. They would be sniffing the washrooms, the bushes and everywhere. However, these days, with everything we hear and the fact that we need police on school compounds . . . we wonder where it all went wrong. Unfortunately, I think we have imported too many bad habits and we have let our kids get away with too much.

When you see kids get up to go to school and their hair is uncombed, and if it is a boy his pants are down below his knees, they wear earrings and so on, we wonder why we have problems. It is all broken down and we have to get it back on track.

We have to ensure that in these Islands we do not have people falling through the proverbial cracks. We have a sophisticated economy and we require quality workers for it. When Mr. O’Dea gave his presentation at the Conference, he referred to the fact that many of our kids are completely unable to hold a job in the private sector. They are not able to prepare or provide a resume or conduct a proper interview. We are rushing our kids through school and we are paying for it each day.

We cannot continue to graduate children who are not ready to move on to college or take up a local career. These idle minds create social problems that I have discussed. Each and every citizen should be productive. We must be able to compete with the foreign workers who currently control the job place and earn our spots, all things being equal.

Of course, employers have a responsibility to avoid or remove the glass ceilings and shifting goal posts as well in order to allow us to take our rightful place. This is our vision and we will proceed on this track. A country cannot be run in a disjointed fashion, with more than one government, as we have seen in the past. Everything must come together and all must be on board to keep going in the right direction. That is why we need a leader like our current Leader, the Honourable D. Kurt Tibbetts, who in his own way quietly massages and pulls the strings and keeps eve-

ryone focused on the ultimate prize—a better Cayman Islands for one and all.

Another area of concern for our people is the cost of living. This has reached astronomical proportions of late and has been mainly driven by two factors: the cost of fuel and insurance rates. These have spiraled off into increased electricity rates, rent increases and prices of goods and services. The time has come for our Government to sit down and have some serious discussions with the two petrol suppliers in this country, Texaco Caribbean Inc. and Esso Standard Oil S. A. Ltd. I believe their local control licenses are due to expire in 2011, the same as Caribbean Utilities Co. Ltd. (CUC). We must talk with these parties and work to control the increases we now experience.

We now have on the table an opportunity with CUC and Sea Solar Power International, a company that is interested doing business here to provide electricity through taking advantage of the temperature differences of our surface water. Sea Solar has already completed an initial feasibility study, and I think it is safe to say that CUC is willing to go ahead in this direction. I think our Government will look favourably at this because this has been on the table for some time, but has been ignored.

*[Inaudible comments]*

**The Speaker:** Could we have the cross-talk stopped and allow the Third Elected Member for Bodden Town to make his contribution to the debate?

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker.

Ocean Thermal Energy Conversion (OTEC) is primarily a low-temperature, solar-power plant with desalinated water being a secondary production. Due diligence by both the power and water companies has been successfully completed. CUC is quite keen on looking at this to find a way to reduce the cost of electricity to the consumer.

Several sites where OTEC could set up operations have been identified in the eastern end, with one benefit being the aquaculture. Critical next steps to get this process up and running would be the finalisation of site selection and obtaining environmental approval to operate the OTEC plant from Cayman Waters.

I know that right now the cost of electricity is a huge burden on this country. Rates have practically doubled in the last six months.

*[Inaudible comments and laughter]*

**Mr. Osbourne V. Bodden:** I have been told that the bills have gone up, Madam Speaker. At the end of the day I guess it is the same for the consumer.

CUC has been a very excellent corporate citizen in this country, and I do not think they would go out of their way to willfully hurt the Cayman Islands. However, we have to find a way to bring the electricity bills back down. These bills drive the cost of living upwards in every sense.

Over the last couple of months fuel suppliers have increased prices almost on a weekly basis. Everyone is aware that I am a Texaco dealer. I am not taking tales out of school, but I am telling you that it is not the dealers' fault. Where in the world the increase in prices from suppliers comes from I do not know, nor do other dealers. However, these companies make it appear as if the dealers are hiking prices every time they turn around. As a dealer I am fed up with that, and as a Member of this House I will have my say now.

Dealers earn very little on a gallon of fuel. It equates to, on average, approximately 18 per cent. Therefore, dealers cannot afford but to increase their prices at the pump when the supplier increases theirs. People wonder why, for example, Texaco was a little cheaper than Esso one day and then the next day they were almost the same. The reason is because Texaco dealers were informed that if they did not equate their prices with Esso's they would suffer because the price was going to go up for them. These are unfair practices.

What has been happening in Cayman over the years is that suppliers have been allowed into the retail business—they own their own gas stations. As a result, they are protecting their own nest egg. This should never have been done and will critically be looked at going forward.

As far as I know, Texaco, in particular, has moved away from a country-manager model to a regional manager who spends little time locally. Therefore, decisions cannot be made locally which creates hardship for all concerned—employees as well as people dealing with the company. Again, this will be critically reviewed by this Administration.

Another factor driving the cost of living upward is insurance rates. Insurance companies have decided that they must recoup all losses within a couple of years after Hurricane Ivan, which leads to great hardship.

In the case of CUC, the blame for recouping losses must be put fairly and squarely on whoever signed the agreement with CUC when they got their LCCL. Under that LCCL they are entitled to do so.

As a result of these insurance costs some people now have an extra mortgage and pay another \$300 to \$400, and in some cases \$500 per month, over 12 months for insurance. That may have been a family's savings for a vacation or rainy day. Now that money is used up merely to keep them going on an even keel as far as the bank is concerned. We are killing our people.

There is an ongoing review being conducted by the Cayman Islands Monetary Authority (CIMA).

We anxiously await the result so that we can sit down with the players in the market with a view to bringing in a workable solution for all parties. I know the companies are there to make profit, but they also have to work with us to help us lower the cost of living.

Attached to this is the cost of accommodation. Sometimes the increases in the cost of accommodation can be justified, but we have heard of cases where there is abuse. I tell the abusers that accommodations are coming back on line, and those who mistreat people will suffer in the long run because people will remember who they are.

I now shift gears to focus on our health services, which is another area with major budget implications. Under the last administration the Health Services Authority (HSA) was poorly run. Apart from not having clear goals and objectives, it resulted in a tremendous waste of government resources, huge salaries, expensive systems, and we ended up with poor health service, low morale and a general shamble of a health system. The new Minister, my senior colleague and mentor from Bodden Town, has his hands full, but he has already begun his task with much energy and vigour.

We now have a hardworking board that has removed some who sabotaged the system, as it were. We ask the hospital staff, as well as the health services, emergency medical technicians and all others, to come on board with us to fix the existing problems. We need quality care and staff.

Too often we hear of insensitivity to people's medical conditions and sometimes patients are ignored. This, as I mentioned, is one profession where you need to have a heart. If you do not have a heart you should not be in it. We must carefully recruit and train our own people to take the reins. We require a board that will make sensible business decisions. I have confidence in our hardworking board, and I look forward to seeing them improve the mess they currently face.

One thing I would like to see is a secure mental health facility as more and more of our people have fallen by the wayside for various reasons. Some, I suppose, due to the pressures of life, others drug abuse and so on. They need the service because right now, in the various districts—and I can speak for Bodden Town—I can think of a number of people who are walking and riding around who are a serious hazard to society. These people need medical attention and they need to be in an environment where they can be cared for and hopefully helped.

Prison is not the answer for people like this. Right now we have no real way to deal with them. As it stands, you can call the police but the police are afraid of them and they will tell you they cannot do anything and there is not really much that can be done. We have to make sure that there is a gap there. We have to find a place for these people.

I now move on to issues which concern my district, Bodden Town. We have a Budget which will

provide for the three eastern districts. I think one thing this Government will look at is shifting some of the weight, or load, from George Town and West Bay to the eastern districts. If we continue in the direction we are in we will tilt over. We have to balance the Island and bring development and enterprise to that part of the Island.

This Budget includes funds for new fire and police stations in Bodden Town. As I speak, plans are actually underway for stations to be located on Crown land off of Anton Bodden Drive, or, as some people may know, the Harvey Stephenson subdivision bypass road behind the school. We are looking forward to getting fully developed plans for this. We hope we can make these two services adjacent to each other so they can share common services.

Having full-fledged police and fire stations in Bodden Town would be a wonderful development because, as we all know, this is the fastest growing area on the Island and we have a great need for these services. Otherwise, we will run the risk of having situations develop and the response time simply not being quick enough.

There are also plans for a new post office in Savannah, and I think this will be going on the property known as the old Dacres property close to the current post office. A new Civic Centre will also be built in Bodden Town, and this will likely go on the land next to the Bodden Town Primary School. The old one will be repaired and used as a meeting place and other incidental uses. As we know, the property I am talking about is good, dry land, and, therefore, it is best we shift the location of the Civic Centre from its current position, where it was subject to flooding. We can still use that property by increasing the height of the floor, making it less susceptible to flooding but certainly not used as a shelter anymore.

Bodden Town is also the last recipient of one of the Dart parks. We look forward to 2006 so we can work with the Dart group to get our park in Bodden Town.

There are already plans drawn and we look to the day they get started. Our quality of life will be improved in Bodden Town because we will have somewhere our families and youngsters can go to have a nice time. This has been something I have talked about for many years, so I am glad to see that it will soon come to fruition.

The National Trust is about to redo the Mission House after a very long wait. Unfortunately, it is virtually destroyed, but they have managed to procure old photos and the like, and they hope they can get it rebuilt in the likeness of its original structure. Again, we will be looking to partner with the private sector to make sure these things get done for the district of Bodden Town.

The Senior Home in Bodden Town is completed. Unfortunately at the moment it is also the site of some of the trailer homes. We have to have them

removed from there, but we cannot do that until we have a suitable site. Once we do that, we hopefully will get our senior home staffed and opened.

We are also looking at an upscale condo/hotel project development in the Beach Bay area which will basically be on the site of the old Beach Bay condominium compound. This will provide a golden opportunity for potential employment during and after project construction. Government had a proposal on this and I think the Bodden Town MLAs (at least at this point) support this venture. I think Bodden Town will welcome such a development.

Funds are in the Budget to procure beach land adjacent to the Coe-Wood Public Beach to create a nice beach park and launch-ramp area. Anyone who has heard me speak before knows that I have been passionate about a launch ramp in central Bodden Town for a very long time. I think we are getting closing and I am certain it will happen on my watch, even if I have to build it myself! We need a launch ramp so that people will not have to go to either end of the district, whether down to the end of Savannah or up to Frank Sound, to launch the smallest of boats. We need a facility in the district—where the bulk of the fishermen are—so that people have somewhere to launch their boats.

The land is available. I know previous Bodden Town representatives kept telling the people that they were buying land, but nothing was done. The money is in the Budget and it will be used to buy land for this purpose.

Presently our district is in the process of ongoing reconstruction. As I speak, the community of Breakers is coming to the end of what we call a “face-lift” which was a Government and Breakers Community Club initiative. Homes have been repainted and some have been repaired. Anyone driving through Breakers now will see a large difference in how the place looks. The citizens of Breakers are extremely grateful.

We are assisting those needy persons still there who suffered from Hurricane Ivan. Unlike the debacle that occurred under the previous administration, we are ensuring that help goes to people who need it. This is not about who you support. If you need help, you need help. Unfortunately, there was a previous committee set up in Bodden Town which operated in an improper manner. I will not say anymore about that right now. We now have a committee that is looking at people who need help on a systematic basis, and, where possible, that help is being offered. I express my gratitude to the committee, in particular, George Ebanks, the able chairperson who has been working very hard to assist us.

We have been busy beautifying and cleaning Bodden Town under the watchful eye of Chairperson, Heather Bodden. This has come a long way with a lot of hard work put in. I must give credit to the Cabinet Secretary and his staff, in particular Mr. Telford Miller,

as well as the help we received from the Department of Environment. There was plenty of rubble and old cars, not only in Bodden Town but across the whole Island since the hurricane. The effort that has been put into Bodden Town, I think, has served as a model for other districts. We hope that every place gets the same treatment we received in Bodden Town with the cleanup exercise.

We still have some homes that need to be rebuilt, some that were totally destroyed and some people are still displaced. Rome was not built in a day, and when you try to do everything at one time, that is when all the confusion sets in. Unfortunately, not everyone holds himself up to the same ethical standards you would like. There are contractors, private citizens and homeowners who all take advantage of situations, so you have to carefully monitor this to make sure it is done properly and for the benefit of people who really need help.

I know my colleague, the Minister of Tourism, has a vision for Bodden Town. His vision is to bring tourism to the three eastern districts; starting first, of course, with Bodden Town.

North Side will not be left out, Madam Speaker; because I know you will make sure of that! And East End will certainly not be left out either.

We expect to develop small cottage industries, arts and crafts, guest homes and small motels in the eastern districts, as well as services those who are visiting that part of the Island can avail themselves of. Included in these services will be banking and driver's license facilities and the like.

For so long everyone has had to travel into George Town for amenities. Knowing the traffic problem we have, it does not help when you have to head into town for the smallest chore. This will certainly help to alleviate some of our traffic woes. We want to encourage locals at that end of the Island to get prepared, and Government will definitely help where it can. We want you to have the mindset that business and opportunities are coming your way, so take advantage of it, claim ownership and make that part of the Island something to be proud of.

These plans are in conjunction with the Minister of Tourism's vision for berthing facilities for cruise ships in the Cayman Islands. This will allow the cruise tourists to spend more time on Island and not be rushed around between George Town and West Bay. They will have the time to get to the eastern districts.

Two areas of major concern for us in Bodden Town with regard to tourism and commerce are the traffic issue and policing. Presently, the traffic coming into town in the morning and evening (including the western end as well) is extremely heavy. We have to find a cure for this. So much productive time is spent wasted in our cars on our roads. We need to embark on the process of a second main road through the Island, at least from the Frank Sound area to the Prospect area. I believe this has been gazetted but will require large amounts of funding. I do not think

anyone is under any delusion about that; it is not a cheap exercise.

Nonetheless, if we are able to get this underway and completed, it will do wonders. Like yesterday, with the situation we experienced and having one main road, you practically get cut off. People were advised not to be on the road but, for one reason or another—they were on the road anyhow. They were turned back and therefore could not get to where they wanted to go. I am sure the same thing happened in West Bay.

We cannot have a country with one main road. We have to have at least two roads running through so that if something does happen we can close one and still have the other one available. This will also enhance property development and, certainly, in areas where these roads would open up, land owners would be extremely grateful because they could develop their property and have access to it where it was previously inaccessible.

A plan should be formulated. I am sure this Government will tackle it to ensure that what I have said here becomes a reality. To my mind, this could be something along the line of a road such as a US highway. When I say that, I mean with limited exits and entrances to allow maximum flow because there is no use in having a road with turn-offs everywhere; that is what slows traffic down. You want something that will allow quick access from the east to the west and from the north to the south. I might even be so brave as to suggest that such a road would have a toll in order that we maintain it once it is built.

In the meantime, while we have this problem on our hands (which will not go away with what I just said) in my opinion we need to stagger work hours in the private and public sectors between the hours of 7 am and 10 am and 3 pm and 6 pm.

The heavy trucks on the road need to use whatever back roads currently exist because these trucks create their own congestion and problems and cause distress to many of our elderly people. I know, because I have received many complaints concerning the amount of trucks that go through the Bodden Town district. Although it certainly helps me when they come through (because they stop to buy diesel or something from the shop), for the sake of what is good, I do not have a problem if they have to detour my location. We need to look at this and come up with an overall plan. Even though something benefits one individual, we need to look at what benefits the country, and that is the plan we should take.

I know you, Madam Speaker, and the Minister of Communications, Works & Infrastructure have heard debate in this House on the policing issue in the eastern districts for years. It does not appear to be getting better. We now have a new Commissioner and I look forward to meeting him and having discussions with regard to this matter. Plain and simple (not to criticise our policemen) we have had bad Police Service in the eastern districts for many years. The re-

sources are simply too thin to cope with the issues we have. There is no use having the ability to respond when two other things are happening and no one can get there. They simply say, *'Well, we were on-call'*, and when you go to the station it is locked. I trust that in the not-too-distant future, with the resources already in the Budget for the Police Services, these kinds of excuses will fall away and we can have the type of service we need.

We have one station overseeing three districts and, in my opinion, we need to return to three. Regardless, we require someone to fill the Chief Inspector post in the eastern end with energy and vision to focus and to deal with the problems that we have.

We had a police meeting approximately three to three-and-a-half months ago, and there is supposed to be another one soon because I was promised they would be back in three months. At the meeting with the current Chief Inspector for the Bodden Town, East End and North Side organisation, we discussed the issue of drug use and problems within the district. When members from the audience and I brought up certain issues, it was as if the officer was hearing these things for the first time. That set me back because I do not understand how I, as a civilian with little policing skills and no resources like the police have, could know these things are happening and the Police do not. Whether it is lack of resources or lack of will—I am not sure which—I have been charged by 1,140 Bodden Town citizens, and I want and am here to make sure that I see that Bodden Town and other surrounding areas get the proper policing we need.

We can say it does not all come down to the police, which is true. However, if we do not have police presence and, when you call the police, it takes them two hours to get a half mile down the road, the criminals know this and so they focus their activities on those areas.

We often see known drug users in Bodden Town who are from other districts. I call them "local imports". They wander around because they know Bodden Town is a place where they can get away with stuff. Madam Speaker, this is a no-no. I am sure, from what I have heard from the new Commissioner thus far, that he shares my vision for this. My colleagues from Bodden Town here in the House I am sure will also share this vision. Together we will ensure that we get the proper service we need.

I give credit to the hardworking police who do a good job. However, too often there are some who I do not think are there for the right reason. We have to offer a professional officer to the public who will gain their trust.

Just recently (this week) there was an incident with a single mother and her daughter. When she called the police, it turned out she was made to feel like the criminal. The police must know how to approach people. Many times, a part of the problem the

Police have with the public is the way they approach them.

We do not need a police service full of rejects. A police service must have highly qualified, competent individuals with quality education. Often times in the past, services such as police and fire were places where people went when they could not find jobs elsewhere. That is not good enough. These people are entrusted with our safety and security. We have to ensure we have the cream of the crop. Certainly, the best training must be available to them and it must come across when they deal with the public.

I believe that once this firm approach I have outlined is implemented we will see how quickly the problem will disappear and brought under control. We can say then that we made Bodden Town, at least from my perspective, a hostile place for criminals to be and we will all be able to breathe a sigh of relief.

I wind up my debate at this stage by expressing my gratitude to all those who got us to this point as a new administration and who continue to assist and guide us where necessary. To those people, I say we appreciate your support. With God's divine guidance we will ride the good ship Cayman and set a course that will benefit us all in years to come.

Additionally, I thank and congratulate all of my colleagues at this Legislative Assembly. To those of us who are the rookies on the block who have debated, thus far [we] have done extremely well. I am sure the Opposition will see there are no extension cords on this side of the House.

Finally, I congratulate you, Madam Speaker, for doing an exemplary job in the Chair. I wish to continue the positive relationship we have forged with the Opposition to this point. May they stay long in the Opposition!

With those few remarks I conclude my debate and thank you.

**The Speaker:** Before I call on the next speaker, for the benefit of the press, a decision has been made to carry on the proceedings of this House until 8 pm tonight.

I will now recognise the Honourable Minister of Tourism to make a short statement on the Port Authority damage.

## STATEMENTS BY HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

### Port Authority Damage—Hurricane Wilma

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

We must thank God that these Islands have been spared a direct hit from Hurricane Wilma, at one point the most powerful storm ever recorded in the Atlantic Basin. However, even as the storm rages hundreds of miles away, strong seas have taken their toll locally both in terms of the unfortunate flood damage experienced at some private homes as well as wave damage caused along the coast to some key infrastructure.

I would like to apprise the public and this honourable House on the status of facilities at the Port Authority, which plays a critical role in facilitating both cargo and cruise tourism.

In terms of cargo, the docking facilities do not appear to have sustained any significant damage, although this cannot be confirmed until the inclement weather subsides. We expect that cargo operations will resume one to three days after the weather clears.

Following lessons learned from Hurricane Ivan, the Port Authority will survey the damage and wash down and grease the equipment, particularly sensitive equipment, prior to starting up cranes and other gear. This will be done as expeditiously as possible, but it is better to incur a minor delay immediately following the storm than to be plagued with costly delays and breakdowns thereafter.

Also, there was some saltwater intrusion into the Royal Watler Terminal, but no reports of any serious damage at this point.

In terms of the cruise facilities, the North and South Terminals sustained some damage as a result of wave action associated with Hurricane Wilma over the past two days. The full extent of damage to the cruise facilities cannot be properly assessed until the weather clears, but our initial surveys indicate that it will take approximately five days to repair damages after the rough seas have passed.

The Port Authority has crews on standby to fully assess damage and commence repairs as soon as the weather clears. We are committed, Madam Speaker, to getting cargo and cruise facilities operating as normal in short order. These remedial actions will not be possible as long as severe weather persists but will commence at the earliest opportunity.

Even as Hurricane Wilma progresses on its path, it is reasonable to expect that several hours of rough seas lay ahead for the George Town Harbour.

This hurricane season has been an unusually busy one for this region and for the Gulf and east coasts of the United States. Small and large countries have had to struggle with the aftermath of these hurricanes.

All hands are on deck to ensure that we do our best to prepare for and to recover from such natural events. I thank all persons in both the public and private sectors, whose efforts during these trying times keep our essential infrastructure operational for the welfare of these Islands.

I thank you, Madam Speaker.

## Debate on the Throne Speech and Budget Address

*(Continuation of debate thereon)*

**The Speaker:** Debate continuing on the Throne Speech and Budget Address. Does any other Member wish to speak?

The Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker.

I, too, wish to offer a few comments on the Throne Speech and the Budget Address for 2005/6. Because we have lost two days of debating time due to Hurricane Wilma, I will try to be as brief as I possibly can and not cover issues that have already been dealt with by my colleagues.

I give God thanks for another wonderful blessing. We, as a nation, cannot thank God enough for sparing us yet again from another killer hurricane. Hurricane Wilma could easily be considered the perfect storm. Most of us went to bed Tuesday night knowing that a tropical depression just southeast of us had barely made Category 1 status. Then we woke up Wednesday morning to find out that it had turned into the most powerful hurricane ever recorded in the Atlantic basin. I do not know how many of us realise that for a very short period Hurricane Wilma changed course and was heading directly at us.

This is a fitting example of why we should never take anything for granted. We must always be prepared as individuals in all areas of our lives, and we must always be prepared as a Government for challenges that may pop up on any given day. It has been said that to be prepared is to survive.

I take this opportunity to encourage our citizens to continue to take our hurricane seasons very seriously. In recent years major hurricanes have been more frequent and much more destructive. There is likely no one in this honourable House who could have imagined that we would face another hurricane of the likes of Hurricane Ivan—let alone one much worse. Many of us said—including me—that we hoped that Hurricane Ivan was the only major disaster of our lifetime. Regardless, I think we need to prepare ourselves for the possibility of other Hurricane Ivans in years to come. We could easily be digging out right now because of what we were facing, but on Tuesday evening regular evacuees had no reason to leave.

As a nation we need to work on ways to better cope with these natural disasters and stop believing that flight from these shores is the only way we can survive. We must work toward providing ourselves a better chance to survive if we get caught sleeping. I am not saying that we should not evacuate when the time comes, I am saying that we should improve our chance to survive should we have to stay.

I would like to appeal to all of those in the construction industry, especially those who have sprung up since Hurricane Ivan. It is a shame and a downright disgrace; it is highway robbery and injustice of the lowest order what some individuals and companies are doing in the name of construction and repairs. They have given many builders and contractors a bad name. Many of our elderly citizens and our single parents, especially single mothers, are taken advantage of by unscrupulous individuals masquerading as contractors.

The lives of many families in this country are now at risk because of this practice. People believed their homes were properly repaired. Thank God, again, that Hurricane Wilma did not come our way because many of them would have had a rude awakening.

There were individuals here in September 2004 who were masons and carpenter helpers—but overnight they suddenly became contractors. We know that roofing is a very delicate and specialised area, and many qualified contractors will subcontract roofing jobs because they are not that easy to do. Yet we have these fly-by-night mercenaries who claim to be builders and they take on these complete jobs—as well as millions of dollars from people—and then they mess up their homes.

It is my opinion that a large percentage of these individuals are our own Caymanians, which, incidentally, does not make it any less of a crime. A considerable number of them are on work permits, but it is also my opinion that a vast majority of these are new Caymanians, individuals given irrevocable status by the UDP Government. We must be mindful that the vast amount of these funds being spent come from our Government. This is a classic case of taking the stick to break your own head.

With all the other high priority projects that need this Government's attention, we have to take time out to deal with things like this too. I urge individuals who have repaired their homes to please consult qualified quantity surveyors, or someone from Building Control in the Planning Department to inspect their homes while these individuals can still be found. The majority of them use pay-as-you go cell phones so you cannot track them down. A lot of them use only first names, and many times it is an alias.

I am familiar with one particular case of a lady who had some serious damage to her house. Her home was built many years ago and, unfortunately, because of new development in recent years, the homes and road around her are now more elevated than hers. You have to step down into her home because all of the surrounding properties have been built up.

She adopted a few measures to prevent water from coming into her house, even from normal rainfall. She has had a difficult time with this over the years. Nonetheless, she did receive some financial help from

Government and most of her repairs were completed. Regrettably, when it rained, water would still come through her back door, even after she had installed a 6- to 8-inch lip at the back door to keep it out. The water somehow still managed to seep through the cement and ended up destroying her furniture.

This lady, who is Caymanian, does not want to depend on Government for everything, and so she saved her money as best she could. She found herself with \$3,000 and hired one of these contractors who told her he would give her a very good deal by building a little cement slab with a roof on the back of her house. It seemed she needed more, thicker cement, so she took advantage of the space she had, which was a brilliant idea. The slab was approximately 6 feet, and the width of her house is approximately 20 to 30 feet.

To the amazement of everyone who looked at the job, they saw that the roof that was added on sunk in the middle and now water does not drain off; it settles in the middle. All of the repairs that have been completed from funds she received from Government have now been destroyed because the ceiling is coming in and the electrical work is again damaged. Now she cannot find the individuals who performed the work.

Madam Speaker, I do not know too much about roofing, but when you lay your blocks there is something called a plate that you put on top of either your blocks or the pouring you use. These individuals did not even have the plate on the blocks; they put her rafters directly on the cement. They put the hurricane straps over the bolt and then wrapped that over the rafter so it looked as if it was embedded into the cement. I have not spoken to her since Tuesday, so I do not know what has happened since.

This is the kind of thing that is happening in this country. For example, someone may give a legitimate estimate for \$10,000, and in order to get the job these individuals will say, *'No, man. I can do that for \$5,000.'* What they do is take your \$5,000 and end up creating \$15,000 to \$20,000 worth of damage. We have to find a way to stop these individuals or we will find ourselves faced with a worse problem in time to come.

The challenges for this PPM Government are great. This is just one more. During the campaign we promised that help was on the way. I am happy to say that help has arrived. This PPM Government is up to the task.

While we are up to the task, there is no reason for our people not to help themselves. For a few years now the seeds of a dangerous and reckless habit were planted in our society; a habit of training our people to depend on government for everything. This is done in many countries around the world. Ruling parties spoon-feed constituents with the necessities, hoping to lure them into a false sense of security

and a state of total dependence. There is a state of bewilderment come election time.

At the time of going to the polls (after the indoctrination takes place), voters are faced with having to decide whether to support what is upright and honest or to vote for the individual or party that has provided the handouts. On the one hand, it makes their lives seem easier. Yet, on the other hand, it robs them of their dignity.

Most of these individuals do not understand what is happening to them until it is too late. Jobs for individuals and/or their families are then threatened. If there is no forthcoming support, people are then told, *'Well, you know, I got you your job, or I got your daughter's job or your son's job, but if you do not support me I cannot guarantee that they will have a job next week.'* So people are forced into a position where they have to support these candidates.

This country was built on a legacy of stalwart men and women of true grit whose greatest pride came from being able to provide for their own families. This was a tape used to measure the worth of a man. There was a time when one would not be allowed to contemplate marriage unless he had somewhere to put his new bride. You know, Madam Speaker, that he dare not approach a father to ask for permission to court his daughter unless he had his own home or was in the process of building it. Perhaps his little house had to be put on daddy's piece of land, but at least he had his own home.

Sad but true, many of our citizens are of the mindset that it is their government's responsibility to provide them with housing. Many of those who expect this drive around in \$30,000, \$40,000, sometimes \$50,000 vehicles. We have to set our priorities straight. As a nation we need to make sure that we put our priorities right. We must give our best effort to be self-sufficient and to look out for ourselves. When the time comes that you can no longer help yourself, this is when government will have to step in. However, government cannot maintain able-bodied individuals every day, every week or every month. We cannot operate this way because this is not how the system is intended to work.

We need our people to take back their lives and understand that they cannot make \$2,000 a month and build up expenses for \$3,000 to \$5,000 a month. It cannot work and they cannot expect people to bail them out. People must set their priorities straight and understand that if they are unable to give their children lunch money, buy books or uniforms, then they should not be running off to Miami for shopping trips. This needs to be stopped and it needs to be understood that we have to take care of our own families.

Now, there are cases with genuine needs. While there are those who have not budgeted and do not care about how much money they spend and earn, there are those who do need help. Regrettably, many times help goes in the wrong direction and the

people who do need it do not get it. Those who do are sometimes too embarrassed to ask, yet the ones who do not care about their budgets or how much they spend are not ashamed to beg for money.

Sometimes you do not even know, Madam Speaker, who does need it until you start asking questions. Then they hang their head down and begin telling you their story. That is when you remember that you did something for someone last week when this here is the case you should have really given those few dollars to.

I, along with my PPM Government, readily acknowledge the problems many of our people experience in the area of housing. Since I was elected in May this has been my primary source of frustration. However, I am mindful of the time it will take to sort out the housing issue. I am also mindful of how desperate many of our people are who do need housing. I can honestly say to them that we are doing as much as we possibly can, as fast as we can, with what we have available. Proper, affordable housing is on the way. I beg our people for some patience and understanding. We are trying. We cannot make blood out of stone.

We cannot afford to get the housing issue wrong and we must take the time to get it right. The PPM Government's affordable housing Initiative will soon be a reality, but I also promise to pledge and guarantee to the general public that any housing scheme that the PPM Government develops will provide jobs for Caymanians.

**An Hon. Member:** Hear, hear!

**Mr. W. Alfonso Wright:** That is a given.

Speaking of jobs, I was delighted to hear the Second Elected Member for West Bay speak of the need for a manpower survey performed in this country. He also touched on the necessity to have this correlated with the curriculum, which was an area I spent much time on during the campaign.

More and more, the Second Elected Member for the district of West Bay exposes traits and makes utterances closely related to the way the PPM machine operates. I can only wonder how long his colleagues will tolerate his presence in the Opposition, thinking like the PPM Government. My advice to the Member is that if there is even a little PPM inside of him to let it out, do not let it hold him back because, otherwise, his soul will never rest.

*[Inaudible interjections]*

**Mr. W. Alfonso Wright:** The PPM believes that a very important tool to help alleviate the job placement and work permit problems is a manpower survey. This is an issue our Leader has been lobbying for for a long time now. A manpower survey would be an extreme value to our country. On its own, the survey will



do very little for us, but if it is correlated with the curriculum in all schools then it will start to make sense.

Once the survey is conducted, proper records must be kept and updated regularly. The connection with the schools is where it all comes together. If the survey reveals that we have ten quantity surveyors in this country, but there has only been work for five for the last five years, why would we encourage ten kids out of this year's graduating class to pursue that career? Do not get me wrong. If a student's heart is set on doing this, and his parents can afford it, then by all means . . . . We have no control over that.

The question is whether our Government should provide a scholarship for that child, knowing full well that after graduation that child will not have a job. On the other hand, the survey may indicate that we currently have 20 individuals qualified as civil engineers: two are Caymanians and 18 are on work permits. Career counsellors and parents armed with this information can at least try to redirect students in the direction that guarantees them a job once they qualify.

Now it goes a little further. The Work Permit Board should also be privy to this manpower survey information. There should be and there will be no more renewal of work permits for civil engineers based on the scenario I just spoke of until that individual has been hired. This is how it should work. We direct our kids into areas where we are overloaded by work permits. Unless the development plan calls for more jobs in that area, we should do our best to direct our kids. Unless we get serious about this, our young Caymanians turned young professionals will never be able to take their rightful place in their own country. They are already under enough pressure when they do find jobs they are qualified for.

Our young professionals are discouraged from participating in certain areas in this country, one such area being sitting on boards. If they insist, sooner or later responsibilities are taken away from them or they are passed over for promotions or salary increases. In short order, word gets around, and at the mention of a request to serve on a board our young Caymanians—our brightest minds—are forced to run for cover. This is where the foreign element controls the local productivity.

I guarantee you, Madam Speaker, that you will never find it on an application form or in job interview notes, but it is known that many firms ask individuals about their political leanings during an interview. At the time no big issue is made, but word does get around to these young people as to how you should answer that question. It must be that they have proven that if they answer it wrong they will not get the job. Many firms will severely punish their Caymanian employees for writing politically-natured letters to the press. The fresh and productive ideas of many of our brightest minds are never heard because of suppression by their foreign bosses. They dare not sit or

speak on a political platform. Madam Speaker, our young people are being stifled.

This is not hearsay. I have been privy to many horrific stories. I, along with some of my colleagues, have met with many of them in private. They are even scared to meet with us in a public place. Whether you are part of the Government or the Opposition, we can no longer tolerate this type of censorship in our country. I am calling our young people to have the courage to stand up and fight this injustice.

This PPM Government will have to support our young people. The Opposition will help us as well because I know that they too know this is wrong. I do not advocate disrespectfulness or reckless behaviour. They must do their jobs, earn their pay and respect their company and managers. However, they must be allowed to take part in the running of their country.

I take this opportunity, Madam Speaker, to appeal to local firms to please stop this practice. Let us work together for the betterment of our country.

I turn to education by, first, commending the Department, Ministry, the teachers and all who contributed to the recent Education Conference. Our efforts need to be directed to the improvement of our education system. There is no need for anyone to waste time grandstanding. I, and my colleagues, fully support the Minister and his team. While I understand that everyone has a right to his or her own opinion, at this time I cannot see why we need to take the Conference results back to the general public.

Over 600 individuals took part in putting the Conference together and in achieving the results we got. I cannot see why we would send this back out to the same people who put the plan together. They are the ones who will comment on it again. They put it together; why do we have to go back over it? There is only a certain percentage of individuals in our community who take part in this type of thing and most of them were there. I cannot see the point of this. All it will result in is that in another six months or year down the line nothing will happen and the same individuals who are asking for it to go back to the public will then stand up and say, '*See, one whole year and they have not done anything.*' Strategy as it might be, our Minister of Education is no fool.

For years we have said the system lacks. Many governments have identified the need for change in our education system, but none could muster the political will to do something about it. Madam Speaker, please understand, I mean nothing personal to anyone, but what is most important is the need for continued improvement in our education system. Thousands of children in the system must be our focal point. No one individual or position is more important than the education of our children. Our Minister does not want to fight with the Department or the teachers, or the Opposition for that matter.

The PPM Government's goal is much bigger than that. It would work much better if we were all

united. It is quite obvious that something in the system is amiss. If you do what you have always done, Madam Speaker, you end up with the same results. It is so obvious that change is required. We cannot continue the same pattern and expect different results.

The resulting document from the Conference is, in my opinion, a masterpiece. The Education Conference results will play a major role in the history of education in the Cayman Islands. It is a homegrown policy, not one we need consultants to provide for us. It was done right here in this country. Who knows what our problems and deficiencies are and what needs to be done better than us? It is not someone who will come here with a new plan, who takes one of our names out and puts someone else's in and says, *'Here. This is what you need.'* We have been doing that for too long now.

This is a fresh approach and maybe that is why some people are not warming up to it, because they believe that unless it is foreign it is no good. Our Caymanian teachers and community leaders are extremely capable. I have all the faith in the world in what they have produced. We need to embrace it as a nation and move forward. Give the Minister the support he needs.

I do commend the Minister for having the courage and raw determination to see this through. The Opposition has made many good points to date, and I know our Minister will take those into consideration. He may be stubborn, but he is no fool. I can tell you, Madam Speaker, he knows a good idea when he sees one.

I also commend him for giving the principal of Alternative Education credit for coming up with the idea for the Conference. This proves the point I just made. All he needs are individuals who are willing to share their ideas and to listen to other ideas as well. Our Minister could have said to the general public that this was his idea; we have known that to happen a time or two.

Our Minister is an honourable man and he means well. He has a great passion for our children and their education. Every PPM Member elected to this House pledged with the Minister that we must improve our education system now or perish as a nation.

I listened to the Leader of the Opposition make his contribution to the Education Bill and his amendment to it. Interestingly, the Leader of the Opposition mentioned Improving Teaching and Learning in the Cayman Islands (ITALICS) 12 times, which says to me that the program must be very important to him. Perhaps it is the only tangible educational product of his term. Granted, it is a good product; however, we need to understand that education does not begin and end with it.

In many cases, I think that excessive importance was placed on the ITALICS program. That resulted in distractions in various other areas where teachers were demanded to concentrate on ITALICS. Several things that they felt should have been impor-

tant were neglected in the day-to-day running of the schools. Again, I do not say that ITALICS is a poor program, but all does not begin and end there.

I have had the privilege of visiting numerous schools with the Minister, and I was overwhelmed with the staff's response during his visits. The Minister did not want only principals and/or executives to attend, he insisted that as many teachers as possible should be present as well. What was very evident was how shocked they were when our Minister said to them, *'You have permission to speak freely. Anything you need to say to me you can say it right here, in front of everybody.'* And, Madam Speaker, speak they did.

It is quite obvious to me that the document that resulted from the Education Conference had the total participation of all of our teachers. They were given an opportunity they had never been given before.

The way our Minister operates is what has helped us to build the policies of the PPM Government—a policy of inclusion. It is our objective to ensure that everyone feels part of what we are doing and to get their input. We are not the experts. The experts must be given the chance to say and do what they think is necessary, and we have done that.

There have been several injustices to the education system over the years. My following comment was somewhat a joke at one time, but it just shows you the things that have happened over the last few years in our education system.

At one of the schools we visited, the teachers offered their problems, ideas, things they would like to see changed, and things that had gone wrong, to the Minister. Many teachers were depressed after Hurricane Ivan, but many of them stayed on and did a tremendous amount of work. Unfortunately, they were not shown much gratitude for their efforts. Many became despondent and wondered whether they should continue in the system or not. However, for the love of their profession and our children, the majority of those teachers persevered and stayed in the system. They faced numerous hardships.

Teaching is one region that is most severely affected by the high cost in accommodations. Several of them have had a tremendously difficult time surviving. The business I am involved in sells classroom supplies, and I know as a matter of fact that many of the teachers that come into our establishment spend their own money to assist our students. The system does not provide them with the funds they need, or even believe they should be granted, for some of the things they want in the classrooms. So they go into their pockets and spend their own money. I do not ask anyone about this, nor am I guessing. I know this because I have had a lot of contact with teachers in recent years.

At one of these schools some of the teachers were promised a little assistance. At the point of this supposed presentation, whatever they were promised did not come with the group that day. The teachers

*We do not have it here today but we will get it for you.* This happened right after the hurricane when they were trying to get the schools back open.

In July of this year the envelopes were still empty, and at this point they are still empty. This is how our teachers have been treated by responsible people who saw the need to go through the act of presenting an empty envelope and then never following up on it.

I will not delve into the CUC issue in any depth. As a matter of fact, I will not say very much at all since a few of our Members have already covered it. However, I would like to say a few words to the Leader of the Opposition.

He mentioned that Caribbean Utilities Co. Ltd has supported the PPM "big time". If that is true, this Member knows nothing about it. The PPM machine was very careful in soliciting funds and did not want money from any big concerns. We did not want to get involved in a situation where anyone felt we owed them. I cannot swear it did not happen, but I do not believe it did. We had a very good committee which set high ethical standards for reviewing contributions.

What I can say to the Leader of the Opposition is that we did get quite a bit of funds from some of his very ordinary UDP members who came to us and said—

*[Inaudible comments and laughter]*

**Hon. W. McKeever Bush:** I do not doubt you.

**Mr. W. Alfonso Wright:** — *'You know, we do not like what is going on here. We cannot do anything about this right now, but we want you guys to win this election. So here are a few dollars.'* That happened numerous times.

*[Inaudible comments]*

**Hon. W. McKeever Bush:** You are sure they were UDP Members?

**Mr. W. Alfonso Wright:** Oh yes. They were UDP Members, Madam Speaker. I am very sure of that.

*[Inaudible comments and laughter]*

**Mr. W. Alfonso Wright:** They wanted change, Madam Speaker!

I say that sometimes we need to pay more attention to the little things and leave those big things alone. The little things can sometimes cause more damage.

In relation to tourism, again, I will not say very much on this. I know the Minister of Tourism has not spoken yet, and I know he will respond to the debate offered by the Leader of the Opposition. Nevertheless, I would like to make a few remarks as well.

The Honourable Leader mentioned that our projections for cruise arrivals are more than what was projected during his last year in office. I found that rather interesting since many of us had criticised the amount of cruise arrivals. We are all in support of incoming cruise ships and their passengers. We truly had no problem with the amount of cruisers traveling here on a yearly basis. What we did have a problem with—and what appears to be the inability of the Leader of the Opposition to understand—was that it made no sense to have nine or ten ships on one day and then two the next. As leaders of a country, we must place ourselves in a position where we can better manage this situation.

In my short time here, my brief interaction with the Florida Caribbean Cruise Association (FCCA) members has taught me that no destination warrants too many cruisers at once. It was a source of contention at the FCCA annual conference we recently attended in St. Kitts. All the territories were up in arms over the fact that governments did not seem to care how many came in on one day, as long as they had the numbers. We have to manage this better because what was also proven at the conference was that the retailers and businesses do not do any better. As a matter of fact, many of them do worse when you have more cruisers in town.

It is our intention, of course, to increase the amount of cruisers who come to the Cayman Islands, and it will be some time before we can correct the process that was already put in place. So there are days when you will still see more cruise ships here than we would like to have, but we did not do it. It is our goal to have this fine-tuned and we have close to equal amounts of cruisers in Cayman on days we have cruise ships so that everyone can benefit.

It is a fact that too many passengers in a small location at any one time spoils the experience for everyone, including the cruisers. We do not want that to happen. Another proven fact is that cruise ship passengers are looking for vacation destinations. By taking a cruise they are taking the opportunity to visit many different countries to decide where they are going to take their next land vacation. When we dump 4,000 to 13,000 of them in George Town at one time they will not come back here and we need to appreciate that.

It is also, if not more, important to fill our hotel rooms. We need to ensure that everyone has a pleasant experience in the Cayman Islands. That is what this PPM Government is about and the Minister is striving for. We must understand that we depend heavily on tourism and it is important that all of our customers have a good time. I try to tell people that it is not about how much business you do today, but about how many of those customers who came in today come back to your business tomorrow. That is how you measure success.

is not about how much business you do today, but about how many of those customers who came in today come back to your business tomorrow. That is how you measure success.

I am delighted to have had many conversations with individuals since the elections that have shown their appreciation and absolute pleasure in the fact that the PPM Government is now in power. I am not so naïve to believe that everyone who agreed with us five months ago will agree with us tomorrow. However, I believe that if we do the right things that will benefit this country as a whole, and we show people how it will benefit them and not just a few special interest groups, in time to come they will respect us and might even put us back in office for a few more terms.

It may not be evident now, but there are scores of individuals, and some companies, who have funds to invest in this country. Based on how things were going for the last two or three years they held on to them, but they are now ready to start investing in the Cayman Islands again. It is difficult to prove that point only five months after election; these things take time. That will come to pass and we will see that there are individuals who were scared of the direction our country was going but are now ready to invest in these beautiful Cayman Islands.

During the campaign the PPM machine promised many things. Many of those things we have already made good on. We promised this country that we would remove the ability for Cabinet to process mass status grants—and we have done that. We promised this country that we would regularly inform them of what was happening in their Government, and they cannot say we are not doing that. As much as time permits, we have a press conference once a week. Sometimes we cannot do it because of travelling or other things that are going on, but to the best of our ability, the public knows what is happening politically in this country. We take great pride in that. We do not have to wait four and five years to receive reports on what is happening in certain government entities. There is more to come.

I would like to touch on what the Leader of the Opposition said when he overemphasised how the grounds were decorated in red during the Queen's Birthday Parade.

**Hon. W. McKeeva Bush:** Yes!

**Mr. W. Alfonso Wright:** You see, Madam Speaker, when your government has just lost an election in the way that it happened it is pretty normal that you see red for a long time.

*[Laughter]*

**Hon. W. McKeeva Bush:** A joker!

**Mr. W. Alfonso Wright:** I do not think the Honourable Member saw the white and blue that was there.

He probably thought it was all red. The PPM colours are red, white and blue.

*[Inaudible comment]*

**Mr. W. Alfonso Wright:** Red, white and blue.

#### **Moment of Interruption—4.30 pm**

**The Speaker:** Honourable Member, we have reached the hour of interruption. I will call on the Honourable Minister of Health to move the suspension of Standing Order 10(2) so that this House can proceed until 8 o'clock.

#### **Suspension of Standing Order 10(2)**

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

I beg to move the suspension of Standing Order 10(2) so that this House may continue until 8 pm this evening.

**The Speaker:** The question is that Standing Order 10(2) be suspended in order that proceedings can continue until 8 o'clock.

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

**AYES.**

**The Speaker:** The Ayes have it. Standing Order 10(2) is accordingly suspended.

**Agreed. Standing Order 10(2) suspended to allow proceedings to continue until 8 pm.**

**The Speaker:** Proceedings will be suspended for 20 minutes.

#### **Proceedings suspended at 4.31 pm**

#### **Proceedings resumed at 4.49 pm**

**The Speaker:** Please be seated. Proceedings are resumed. The Fourth Elected Member for the district of George Town continuing his debate.

The Fourth Elected Member for George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker.

The other area I wanted to briefly touch on is crime. This has been a great concern of the Government, indeed, the entire country for the last few years, and especially the last few months. Crime affects everyone.

In these problem areas the old saying is we sometimes continue to bury our heads in the sand like the ostrich. I would like to change that and say that we are attempting to hide our heads in the iron shore.

That means that it is an impossible task, and if you try it you are going to get hurt.

I believe the time has come when we, as a nation, must stand up, acknowledge and accept things for what they are. Right now we have a crime problem in this country. There can be no solution to the problem we have with crime unless the entire country makes an effort to unite in this battle. We must pool our resources as a nation. It can only be solved by a community effort.

We have been reminded many times here today that we now have a new Commissioner and a few of us met him the other day. I wish him all the best. We need to pray that his arrival in the Cayman Islands will make a lot of positive change. However, if the community does not decide to play its part and assist the police with information and with the intelligence they need to solve crimes, he could be Superman, but his efforts will be for naught.

Crime is our problem. If the new Commissioner is not successful, he can simply go back to his country. But we will still have crime to deal with. We have nowhere to go. I am appealing to every concerned citizen in this country to stop ignoring the problems and stop believing that because it has not yet affected you personally that it does not exist. We need to start playing our part and reporting suspicious activity or crimes that we know have been committed. We need to give the information to the police. There can be no exceptions. Sooner or later some of those same individuals that you have seen doing things but you refused to pass on information will do something that will hurt you or someone you love. The community is too small for that not to happen.

Madam Speaker, I offer my congratulations to you to as Speaker. I know a few of the Members have already done so. I am especially proud of the fact that you sit there, and it is quite evident to me in my short time here that you were made for that role. On many occasions in my short time here you have given me some very good advice. You have saved me embarrassment in many areas when I may not have known what to do. You have taken the time to point things out; you kind of look out for the new Members. That is not necessarily your responsibility, Madam Speaker, but we are grateful that you have decided to treat us that way.

On many occasions you could say things to us openly on the floor of this House and embarrass us, but you have not done that. You make sure that at the first opportunity you get you tell us, and we appreciate that. I know the time will come when we will no longer be able to expect that, but for now we are extremely thankful. I am mindful as well of many of the goals that you have in mind for our Legislative Department, and I can only say that I will do my best to support those efforts.

Of course, I cannot leave out the Deputy Speaker who does his job whenever he is called

upon; He carries out his responsibilities with dignity. Although he may be a member of the Opposition he understands the role of the Speaker and does what he should do. I do appreciate that and I congratulate him.

Many times in our beloved Cayman Islands we talk about our culture. Some people say we have none, but there are many things that are uniquely Caymanian. There are things that make us completely different from the rest of the world, one being the way we talk, which I would like to say a few words about.

We all went to school and there was a way you would speak that everyone understood. There was proper English, which we all learned in school. However, when we are one-on-one and simply chatting, there are certain things that come out that are uniquely Caymanian, which differ from district to district. That in itself is something we should all be proud of. However, many times a lot of our own people are ashamed of the way our locals speak.

I take great pride in talking the way Caymanians do in the company of foreigners and watch how they react. They cannot understand what we say. I can never understand why some of us think that the right way is to speak like the foreigners who come to this country. Why do we have to sound like them? They want to sound like us. However, we think our little language is second rate and that we should talk like the other person.

It has always been a case of bewilderment for me in that we have many local, talented young individuals who have taken on performing, singing and making their own music. While I understand the origins of Rastafarianism, there are many other cultures and countries that have taken it on and like to say that they are Rastas. If someone wants their hair dread-up to look like a Rasta, I have no issue with that. Rasta does not mean that you have to be Jamaican; it does not mean that you have to sound like a Jamaican to be a Rasta. You can be a Cayman Rasta if that is what you want.

I cannot understand why, when they do their music, put their lyrics together or start singing they decide that they must sound like a Jamaican. I do not know why our young people take that on and why we cannot set our own pace and do things our way. That always seems to confuse me. I do not know why I just cannot figure that one out.

We need to be proud of who we are, where we come from and what our forefathers did. We need to continue to keep things in Cayman the Caymanian way. We must prohibit foreigners from coming to our shores and exporting their culture so that we believe that we must do it their way and they must not conform to our way of doing things and how we live.

The Third Elected Member for George Town spoke about how, when you go to Rome, you do what the Romans do. Why I mention Jamaicans is because that is where this happens with our local people. I do not have anything against Jamaicans. My grandfather

was a born Jamaican and I love that old man like life itself. I have many relatives in Jamaica; I have many friends who are Jamaican, so I have nothing against Jamaicans personally. I do not want anyone to misunderstand that.

If we go to Jamaica and try to convert them to the way Caymanians talk, do you know what will happen to us, Madam Speaker? Come on, people! We need to be proud of where we come from and who we are. I want things to remain Caymanian.

I will probably receive a lot of criticism for this, but my grandfather was a Seventh-day Adventist, my father grew up as a Seventh-day Adventist, and my mother worshipped on Sundays. There were times when I had to go to Sabbath school on Saturday and Sunday school on Sunday. However, our culture has always viewed Sunday as a day of rest. Please understand I have nothing against the Seventh-day Adventist faith. It is a tradition, and I have certain reverence for Sunday. I consider it sacred just by the way of tradition, it has nothing to do with religion.

People come to our country and complain, *'What kind of country is this? The bars must close down at 12 o'clock on Saturday night? Why can you not play music or have a function on a Sunday?'* That is one of the things that make us unique; it is different. We need to understand that tourists have been coming to the Cayman Islands for years because of what? They come because it is different from where they live. If we decide to do things exactly the way the Americans do it, what is the point in them coming here? Are they coming here to see the same things that they are trying to get away from? We have to keep Cayman as Cayman. That is the attraction for the tourists. They want to go somewhere that is different.

A few years ago in a meeting that included the Chief Education Officer and the last Minister of Education, I commented on the many old stories, folk songs and other things I can remember my grandmother reciting that were uniquely Caymanian and spoke of the way life used to be. Many of these traditions, these golden memories, have not been passed on. Many of our elderly people still remember a lot of them.

At the meeting I made the recommendation that we should make an effort to have these recorded and to speak to these people. The National Cultural Foundation (NCF) should be commissioned to put these things to music and make plays of them so that they can be with us for years to come.

They both told me that the idea was a good one, and within a few days they sent me a booklet that contained a compilation of creations by local children from this generation, but there was nothing in this that was historic. Unfortunately, I cannot remember the name of the book at the moment, but it is a very good book. Nonetheless, I am talking about the things of yesteryear, days gone by, and I still do not think it is too late. We need to preserve our culture. Many things

are dying with our older folks as they pass, so are the traditional things.

Before this term is over I would like to see the minimum wage addressed. I am confident that this Government will get to a point where it can look at this issue. I know that a lot of people do not like to hear about minimum wage, but, then again, there are a lot of people who want to see one. I am saying that a lot of things could be made right and made better with the introduction of a minimum wage. I know it is early in the day, but this PPM Government will look at that aspect before this term expires.

The PPM is about change and inclusion, not change just for the sake of change, but change for good. We will not do things simply to have them done; we will consult every opportunity we get. That is so important; that is our way. The more involvement the better the product. We do not have all the answers, and, therefore, we must be smart enough to talk to the individuals who know what is needed because we come up with the best results that way.

I say to our civil servants I know that change is a difficult thing to accept for a lot of people, but change we must. I have a tremendous amount of respect for our civil service. Many civil servants are not shown any form of appreciation and they are hard working and keep this country turning. However, there are also many civil servants who are set in their old ways, ways that they were taught when they came in, and for neither love nor money will they change.

We have many young people who come in the system who are energetic, who have great ideas, are willing and want to be involved, they want to help and they want to work. However, when these young individuals go to many of the senior civil servants wanting to do something a little different or simply follow the new rule, they are told, *'Oh, no! You just come here, my boy. We do not do it this way. We do not do it like that. This is the way this is done.'* Sooner or later, either that young individual conforms and does it the old way, or they leave the service in frustration.

No one becomes redundant if they change with the times. When you refuse to change and do things the old way all the time, eventually you become a stumbling block.

I am appealing to all civil servants to try to see things a little differently. Do not put up a barrier at the first sign of a suggestion to change. Listen. A lot of the times some of the things you do are done so for a good reason, and many of the rules that you operate by were put there for a good reason. Regardless, some things have now changed. If you take your time to explain to the newcomers why you do what you do and then you listen to them as to why they think it should be done different, maybe you will come around to an understanding.

The civil service has a need for growth. It cannot stay the same way all the time. Things are changing throughout the world, so I beg the civil service to make that effort. We need to be more produc-

tive. Our Government needs the support of the civil service.

I believe the time has come for us to take seriously our need to make some form of meaningful change to our Constitution. Again, this is something that the PPM Government has promised and we are working towards that. That is another issue that is very necessary. Right now the rest of the world has left us behind, so we need to start doing something about our constitutional situation.

At this time I take the opportunity to say to His Excellency the Governor on his departure from our shores, a big thank you for his tour of duty in our country. I know that life has not been easy for our Governor, but I do believe that the gentleman means well. I must say that I was somewhat amazed by, but very appreciative of, his comments during the Throne Speech when he readily accepted and admitted that the UK Government did not do us justice in not offering help after Hurricane Ivan. It took a lot of courage to say that. Maybe it is a bit easier since he is now moving into retirement.

We, as a government, are working towards improving our relationship with the UK Government. This, again, will not be an easy task because I know the UK Government itself is having serious problems conforming to the wishes and wants of the European Union. We can no longer sit in the Cayman Islands and allow the European Union and the United Kingdom Government to legislate for us things that are detrimental to the very existence of our country.

Apart from Hurricane Ivan relief, I say there was still another serious injustice done to us as a small nation by the UK Government. We do not have the ability or the wherewithal to deal with the situation that we have found ourselves in with our Afghan refugees. It still escapes me why the UK Government has not assisted us in getting these people out of our country or simply taking them off our hands. Three more in the UK means absolutely nothing to them. I believe that this has been an area of serious neglect by the UK Government, and that in short order we, as a government, need to try to resolve this matter.

I have looked at this from every direction that I possibly can, and I cannot see anything positive in us keeping them in this country. I cannot see how it is benefiting us, and I cannot see what value it is to us. I believe that it is time for the UK Government to step up and relieve us of this problem.

Thank you for your attention, Madam Speaker. This concludes my debate.

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

The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, I rise to offer remarks and observations in regard to the Budget Address and Throne Speech.

Let me start off by asking honourable Members to ponder a question in their minds, because if God spares our lives we will be doing this a few more times before this term ends. The question I ask is: What does all of this really mean?

We go through a process that is derived out of statute, namely The Public Management and Finance Law and the supporting documentation that goes along with that, we create a Budget Address, a Throne Speech and a Strategic Policy Statement. Then all of us who desire to do so get up and make contributions to this process by way of our thoughts and feelings but for the most part most contributions that I have heard in my short time in this House (about 5 years now) and I often reflect because in the first couple of contributions to the Budget Address and the Throne Speech you are all fired up, wired, young and energetic! But what does it all mean? What impact are we really having? Even in the age now of party politics, what impact are we having?

We talk about problems, we talk about solutions and, yes, Government has even introduced new programs and policies, but are we achieving the goal?

How do we grade ourselves? After all we are in the one profession where you could get it absolutely right—history could prove that you have it right—yet you could get fired from your job. For the most part and in most professions there are clear criteria that you are graded against so it becomes very obvious, for the most part, whether you are doing the job or not, or whether you are meeting the goals; whether you are going to move on, whether you are going to remain with the company; in fact, whether or not others are going to compete with you.

We are in the business of politics where the worse you make others look the better you look; the more smokescreens and mirrors that you throw up, possibly the more successful you might become. I am very interested when we get to Finance Committee what sort of exuberance we are going to hear. I say this particularly to the new Members. Let me assure you that more than likely there are no civil servants taking note of what you have said and, therefore, you are not going to necessarily effect change.

Unfortunately, we still do not connect with our constituents well enough that a lot of what we say in here gets to the people that need to hear it, and hopefully we can change the behaviour. I say to the Government that whilst it was, in my opinion, a bit of grandstanding when it came to the Education Motion, perhaps all matters of national importance should be carried live on Radio Cayman and on television. Perhaps the Government needs to come up with ways to connect a bit better, because I can tell honourable Members of this House that the most compliments I have ever gotten on contributions that I have made in

this House have been those times that we have carried proceedings on television—which most people see as the media of choice—not radio. Especially radio broadcasts that are days old!

The Honourable Leader of the Opposition spoke on Monday. I think it was aired on Wednesday night. Whilst you still have people who listen to the radio, we are not connecting the way we could.

I remember in my youthful days when the now Minister for Infrastructure and I moved a Private Member's Motion in this honourable House calling for proceedings to be carried on different mediums and for there to be ready access on the internet of the proceedings that happen here. Radio Cayman is carried live even on the internet, so it is a medium that I think a lot of Caymanians would tap into if we took the opportunity to utilise the media a lot more.

Madam Speaker, thus far we have seen and heard a Budget Address that looks and feels like a lot of Budget Addresses I have seen thus far. We have a strategic policy statement that looks and feels like a lot of strategic policy statements we have heard thus far. We have heard Members get up and give good contributions depending on perspective we all do not necessarily appreciate the points of view and the points brought up by Members and that is a part of life and a part of politics.

In general I would have to say that the contributions thus far have been high level, insightful and passionate, they have been what it is that got us elected. It is that passion and love we have for this country, it is our desire for change. I do not want to burst anyone's bubble, but I want to remind everyone in this House that it is something that once you have been here a few years, it is not that you care less because you still have that drive and yearning to do good, but you have heard it before.

As I have said, whilst we are on opposite sides politically the newcomers have brought forward points that I believe are very worthy and insightful, some of them I do not agree with but it is their right. The people have put them here and anyone who makes it here (having been a part of this process just two short times) to this Legislative Assembly have earned my respect because I understand what you have to go through to get here.

As I look in the gallery, there is not one living soul. Newcomers, get used to that as well. If you thought you were going to come here and have the stands filled with people because the PPM had swept to power and it was going to be a new day in Cayman and we will always have people here, get used to it. Not a sight of another human being other than us talking and rowing with each other but bringing forward good points.

I know how people are and I know how the marl road works, because anyone that makes it here is well acquainted with the marl road in Cayman and have therefore had to negotiate that marl road to be able to survive to make it this far in their political ca-

reer. Before the marl road gets going on me—because, for some unknown reason I seem to be the favourite child, the favourite son, of the marl road these days! I must say that some of my new colleagues in this Legislative Assembly have not helped me in that regard, not when they get up and invite me over and the Minister of Education gets up and makes his contribution to the Government Motion that we just spoke to and talks about how he recons that the insight I put forward was something that desirable while input from other Members of this side was not desirable.

I understand the politics of it. But what happens with the marl road is that two, three or four people will listen to it on the radio, then they will pick up the phone and say, *"Did you hear what that Alfonso Wright from George Town said to Rollie? There must be something to that you know!"*

*[Laughter]*

**Mr. Rolston M. Anglin:** Madam Speaker, I understand the politics of it. It is something very simple and it has been practiced from the beginning of time. Man quickly learned: Divide and ye shall conquer. So, I want to make it abundantly clear to the listening public that I have no issues personally with any Member of the Government. I knew Mr. Osbourne Bodden before I knew many Members of my own colleagues on this side of the Bench. I met Mr. Osbourne Bodden and became friends with him from 1991—14 years ago. He used to work for the company that I got a scholarship from. So I wound up meeting him through that old PriceWaterhouse Caymanian crew. Those relationships do not die.

I say to the public that you have to understand that is the way life is. If there is any living man in this world that expects me to behave any differently they are asking the wrong person.

The Minister of Works and Infrastructure and I have gone fishing together quite a few times, I do not make any bones about it. In fact, he said at one of his meetings during the campaign that we were good friends. I can remember the effect that had on the marl road in the middle of a campaign. Quite frankly, I believe that most good-thinking citizens find it good and healthy that Members who are not in the same political party are friends. When we take off the warrior garb we wear (of being Government versus Opposition) we are human beings who are friends. That is something that we need to practice a lot more of.

Madam Speaker, I do not need to get angry with any person to tell them a piece of my mind and how I feel. That does not mean that I do not like them and that does not mean that I have to stop speaking to them and will not be friends with them. As I said, any person that has a problem with me and the Minister of Works (the Member for East End) being good friends, then they will have a problem for a long time because he is not only friends with me he is also



good friends with my father. Just this morning I had to give him a message from my father as to when he was going to call him, he knows that he is a busy man.

Madam Speaker, so far I have not heard a detailed explanation as to how the Government sees itself achieving the estimates outlined in the PPM's first Budget. I am going to put forward a few observations.

First, I see that we have approval being sought for significant new borrowing. From the early days I heard the Leader of Government Business hinting that this would happen, saying to the public that we are investing in the future. Whilst that is a point well taken (because if you build a school you may have to borrow for it today, the benefits you hope are going to accrue over a number of years perhaps even a number of generations, because we do have some school buildings in this country that are exceptionally old and have served us well) the theory is that it is okay to borrow because the persons who come in the future that benefit from the assets you acquire or build from that borrowing should have no problem paying for it. Up to that point, I think that all of us are in full agreement.

I would like to see the Government be a bit more progressive in regard to how it is that we are going to fund our infrastructure needs, more creativity. Madam Speaker, the \$63 million might not cause any great alarm right now, but in going through the Budget I see where they are planning to spend a large percentage of these funds in the upcoming year. I do not have a lot of hope that there is going to be un-drawn funds from this \$63 million. In other words, if I saw \$63 million, but in reality the Government is only going to draw down and spend \$20 million of it, I could easily see and infer that the \$63 million is not necessarily a sign of things to come.

Madam Speaker, we have \$63 million in front of us, we have outlined in the Annual Plan and Estimates where a lot of that money is going to be spent—new schools, policing, National Archives, roads—all causes and projects that the country needs. Madam Speaker, we have an airport that the Minister of Tourism and this entire House knows has been in need of great and serious upgrade for many years. I have travelled through the airport and have seen massive industrial-size fans going and when I ask, "*what's happening*" I am told that the air-conditioning system could not adequately handle the airport from its infancy much less today when we have sometimes about fifteen hundred people going through that departure lounge. So we have an Airport that needs upgrade.

The Minister of Works is going to need to continue aggressively pursuing the upgrades on the roads network. I have said in this House that until we get the road network in this country built to the standards that it needs to be, our economy is going to

continue to be stifled and it is going to jeopardise our tourism product. I put myself in other persons' shoes, and if I was a tourist walking across the Hyatt bridge, or if I was in the Westin and looked out at the Seven Mile Beach Road from 6.45 in the morning and I saw traffic lines so long that they have us choking all the way into West Bay . . . is that really a place that I would want to go? Is that what I have come to paradise for?

Now we are going to have the Ritz Carlton and we are going to have their guests coming, I hope that someone advises those guests not to travel the Seven Mile Beach Road going south between the hours of 6.30 and 9 am because for those that have not been here before they are going to be in for a shock. I daresay a lot of them are going to be greatly turned off.

The corridor into the eastern districts is greatly needed. The citizens coming out of the eastern districts, like the citizens coming out of West Bay in the mornings, have to sit in traffic for hours. I have said before in this House that it would amaze us if we could get a costing of what traffic jams cost this country economically on an annual basis. Let us then talk about what it costs this country socially.

The family unit is under threat. I have said before and say again (because it is a favourite saying of mine) everything affects everything. So whilst we see problems in the family unit, we may be tempted to say that we have to spend our money on program after program without understanding that if you do spend money on roads, that can help the families. If the mother and father do not have to get up so early and rush out of the house to make it to work on time to be able to pay to send their children to school (if it is Government school it is a small payment and if it is private school it is a larger payment), and if the parents did not have to rush out so early and get home so late because of traffic congestion I think we would be surprised at the impact it would have.

I believe, as I have said before, that the road network infrastructure of this country is in great need of upgrade and we are going to continue to see and feel the negative impact that has on our economy and our country. In fact, I believe that that upgrade is going to provide the new wave of economic activity that will take our children and our grandchildren into the future.

From a development standpoint, until the prior administration [took the decision to allow] seven stories—another thing that was very controversial and kicked and reeled against—Seven Mile Beach Road was a write off. There was only one descent empty lot left on Seven Mile Beach Road. We start to see now the wisdom of going seven stories when we see property after property redeveloping. It now becomes economically viable to redevelop those properties because land does not grow. If you go higher you can get the benefits.

Madam Speaker, the Airport is in great need of upgrade, we see millions and millions of dollars that need to be spent on the road network. Right next door to us we are reminded every time we pull into the parking lot of Parliament that civil servants are out of space, and that right now we are not able, as a country, to spend money in a wise manner simply because after Hurricane Ivan we had to abandon one of our two towers. We know that His Excellency the Governor and his staff are right next door to us in the AALL Bank Building because the Glass House has been deemed unsafe for His Excellency! If it is unsafe for His Excellency, I daresay it must be unsafe for everyone else that is still there. So we have another massive expenditure that this country is going to have to undertake—not desire to undertake, it is going to have to undertake—because you have to have the Administration of Government working. I daresay that it is extremely inefficient to have departments of Government in multiple locations.

The Planning Department has moved so [many times] since Hurricane Ivan that I was asked the other day where Planning is. I do not know where Planning is! They are somewhere around the place. I hope that they are still in Cayman! I say all of that a bit tongue-in-cheek, and I am not blaming the Planning Department. It is simply a matter that is outside of their control. But, here again, we have another massive expenditure. We are going to probably be looking in the region of \$50 million to accommodate the civil servants.

We have our own criminals, and I will touch on that in a minute, but we have heard the First Official Member talk about the great need to enhance the facilities at Northward Prison. In fact, some of our citizens would say, *'Let's not spend money in that area because we want to make prison tough on them anyway. Why is it that Government is going to spend money on Northward Prison?'*

Let us say again something that has been said before but that we forget: we do not have anything that resembles maximum security, by a world standard, at Northward Prison. That is not new; I know that there will be some people that will say, *'Wow! Did you hear that?'* That is not new, Madam Speaker. It has been said in this House before. We do not have maximum security in this country, yet we have hardened criminals that threaten this society and need to be in maximum security. They are put in what the Prison Administration has to work with.

We have started the process of segregating young offenders from mature offenders. My friend, the Third Elected Member for Bodden Town spoke to his experience of young prisoners going to prison and becoming hardened by mixing with the older hardened criminals. I take it that he is saying that he supports the fact that Eagle House was established and the fact that we have gone down the road of segregating young offenders from the more hardened older offenders. That takes money.

I remember just before the 2000 General Elections when the Government at that time rolled out a plan that called for about C\$22 million to be spent on a new prison. If I remember correctly there were things in there that were just ridiculous—a twenty-five or fifty meter swimming pool and all sorts of nonsense. Even taking that into consideration this country is going to have to upgrade our physical facilities at Northward Prison. We are going to need to be able to physically segregate prisoners and deal with prisoners so that you can put meaningful programs in place at Northward.

What we have there as a facility is a big part of the problem as to why we have people going in and out of prison! If you do not have the facilities to properly try to rehabilitate people, how is it that we expect to rehabilitate them?

Madam Speaker, I have just mentioned the airport, the road network, accommodation for civil servants and Northward Prison. I could go on and on with the list of physical infrastructure/development needs of this country. I do not believe that we can continue down the road of central bank debt to fund all of those needs.

They are all very important. Tell me one project which I just named that is not important to everything that every Member of this House has spoken about so far; things that Members of this House truly care about—which is our Caymanian people. We are going to have look at financing and come up with smart ways of financing that do not compromise the Government, that do not compromise the country, that do not compromise our citizens, but achieves what we need to achieve.

We also have to remember that we have borrowing guidelines that Her Majesty's Government has given us. Madam Speaker, we have to deal with that issue. I understand they are coming for another visit to look at what we are doing. Understand, in the White Paper Her Majesty's Government expressed her great concern for contingent liabilities. That is, Her Majesty's Government (HMG) is concerned about her territories having debt that they cannot meet the responsibilities for. So Her Majesty's Government, in their definition of contingent liability, has deemed that if we cannot make good on it then she will have to make good on it! She will have to pay the bill! Therefore, in my estimation, she is overly conservative. But when you put yourself in her shoes, you can see and appreciate where she is coming from in that regard.

Madam Speaker, when it comes to fiscal matters there is one point that I am concerned about. I remember as clear as day when the now Minister of Education was standing where I am standing making the point very firmly. When people make what I call bombastic statements, they stick with you.

He talked about the stranglehold that personal emoluments has on the finances of this country. Now, I am hearing Members of the Government Bench advocate the need to pay civil servants more.

Where is the money going to come from? Certainly Government is not going to be able to dress that one up and sell it to the private sector and say this is a new service. The private sector wants us to downsize! The private sector is already saying that Government is too large and inefficient!

In 2002, when we brought the controversial Budget that, in my estimation, saved this Government from financial ruin, that was the first thing the financial industry said to us. They said *“Look, get your house sorted out. Figure out what you really need. Then come to us. Don’t come asking for \$55 million in revenue measures if you are still inefficient. And how inefficient are you?”* I say to the Government, look very carefully at the pay scales and you will see that in a lot of areas Government is competitive with the private sector. In the Audit Office, managers are paid over \$70,000! Search the Commonwealth and find out where else that happens! That is what the private sector is paid now. The private sector has a contingent bonus typically two to three years of service, and you are paid it incrementally.

Madam Speaker, my mother-in-law has been in banking all her life. More than twenty-something years. Certainly, she is not going to be paid what a CEO is paid, because she is not a CEO. So to suggest that because civil servants have been in a post for a long period of time and they have not gotten to a certain salary scale . . . so what? I do not mean to sound crude, but that is a reality of life.

We also have to understand that it is accepted internationally that if you work for Government it is a commitment. Typically, when you work for Government, you do not make as much as the private sector. If we are going to go down the road of trying to get Government to the point where it is competitive with the private sector we are going to lead this country into economic ruin! It cannot happen!

If that is going to be the policy, we also have to have the policy that people are evaluated stringently, positions are evaluated stringently, to make sure we do not have three people doing what it takes one person to do.

If we look very carefully at how Government works—if it were our business we would not run it this way. There is no way we would run it this way! I am a bit confused as to what the position of the Government is. Where are we heading? How are we going to fund?

I’ve been around politics for a while. I understand that the civil service is the biggest voting block. I understand that there are some three thousand civil servants and if you make the civil servants happy then that may help you politically too. But I say the country must come first! We must! With all that we have said and heard so far we must keep our eye on the goals.

What is it that is strategically important to the Cayman Islands and its people? And how are we going to reach those goals?

I have said before, and I will say it again in this vein of salaries: we are a country that does not police itself. We do not heal ourselves; we do not teach ourselves; and we do not judge ourselves. That is quite a position to be in. We have not, for whatever reason, been able to get one natural born, indigenous Caymanian to the bench in the courts. Not one! Doctors, nurses, teachers and police. I understand how the politics work, but at some point in time we have to look people squarely in the eye and say, *“Look, the country first”*.

One thing that has disturbed me is the fact that I see, increasingly, certain young professional Caymanians who are trickling and drifting out of the service and I start to wonder why. What is happening?

Madam Speaker, I say that we need to look very carefully at where we are from a fiscal standpoint, where it is we are hoping to get. We can talk about these issues all you want—you can talk about health; you can talk about education; you can talk about the family unit and the fact that we need more counsellors, and we need to heal ourselves and we need to council and rehabilitate. Some people do not like it, but it is a fact that we have to make the money to make it work! The day that we are not making the money, then we will quickly see how many young people will be going off on scholarships. How much are we going to have the elaborate budgets we have?

Do you know what would be another interesting study? Take a look at our neighbours in the Caribbean and see what their education budget is and the percentage of people they are producing in all of the relevant areas—that is, going on to tertiary education, and those who are getting a critical skill whether it be carpenter, mason or whatever—and compare that to Cayman and what we are spending!

That is one of the reasons I voted in favour of what the Minister of Education brought to this House. It is because I went through that system and I understand how it left behind my friends. I understand when he says that any child that is gifted or academically inclined—I do not care what system you put them in. If you put them in any system they are going to do well!

We have used some of those glossy statistics at the front end to hide what has been happening at the back end. The analogy I use is that the first two rows of class are well behaved while at the back they are getting into fights, killing each other, and getting hopelessly lost while the teacher ignores it. That is my analogy as to what is happening in the education system of this country. And I do not care who likes it!

I did not leave my career at twenty-eight years old—to give this country the best years of my life—to leave the biggest accounting firm in the world

to come to this House—to try to kiss up to anyone and make them happy, to make them feel good, warm and fuzzy. Shake-up needs to happen! I just hope that we do not shake up the good with the bad and wind up losing the good that we do have.

We need to make sure that when we shake we are not just shaking the whole rug because there is plenty of good in the rug. Sometimes tweezers are much better than a broom.

[Laughter]

**Mr. Rolston M. Anglin:** When I looked at the revenue projections that define how the Government comes up with its projected surplus, I have a few questions. Perhaps (as the Third Elected Member for Bodden Town and I were discussing at lunch) we do this the wrong way around as well. Perhaps Finance Committee should come before the debate so that we are all very informed as to what it is we are debating. We are not just debating a speech, Madam Speaker. We are debating where this country is going to go for one whole year. We are talking about twelve months of the life and times of the Cayman Islands.

For example, I see here that garbage fees are projected to go from \$2.95 million to \$4.72 million. Again, there could be a very logical explanation for that. However, it would have been good if we had gotten a bit more detail when the introduction of the Budget was being done.

I also see under the “Other Goods and Services” section (on page 310 of the AP&E), sale of goods and services, \$7.5 million compared to zero from last year. If I was just picking this Budget up cold, I would have to think that we have new revenue measures but I know that is not the case. So some of this, I accept, will be moving items around as we get things better defined within the Finance Department.

I see that salaries and wages are projected to go from \$129.7 million to \$149.6 million. Again, I question the sustainability of this growth. Every day you look in the newspaper and you see some new post being advertised. I am also aware that within the civil service system posts are advertised in-house first. So, in my estimation, the public has not even seen the half of it.

I know that coming from this new public management system, which we have, was going to be the need for more accountants. Every ministry now has a CFO. I think it is good for the system to work. Deputy CFOs have been added. These are items that have already been added, for the most part. We also see Ministers equipping their offices from an HR standpoint for them to better manage, and perhaps someone will get up and say, “*You spend money up front to really be able to identify where the problem areas are then you can start doing something about it.*” That could very well be the case.

However, when we see these types of healthy increases and we hear further increases ad-

vocated in these areas it leads one to wonder just where the Government is heading in this regard, because we certainly have not been told so.

In the area of planning projections for increased revenue I would like to have heard what the value is of outstanding projects, because those are items that really grab your attention and your interest when the Budget is being presented when you are coming out with more analysis and statistics as to what is happening in the domestic economy. We see revenues being driven up on paper, however I do not quite understand where these monies are coming from.

In the forecast operating system I see an item under “other revenue” (and you are going to love this one) that has been here for quite some time. I have mentioned it before and I will mention it again. There are items that make up coercive revenue, then there is other revenue. Under “other revenue” is “other operating revenue.” So the “other” of “other” is projected to increase by \$7 million! That one does not have a footnote. I am sure we will be told what it is in due course. There may perhaps be a perfectly plausible explanation for where that item is coming from.

Madam Speaker, one item that I thought would have been (and it was) pointed out by the Honourable Third Official Member, and I am not surprised that thus far the Government has not said a lot about it because it is one of those items where you run into a bit of problem because some credit may have to flow to the prior administration. It is all good and fine to look at the statement of operations and see that there is a projected surplus from operating activities of some \$12.9 million. And we see the surplus before extraordinary items of \$3.3 million, and I agree with the Third Elected Member for Bodden Town that that is the number you have to concentrate on because extraordinary activities are just that—extraordinary—and you certainly hope that they do not recur because if they recur then they become ordinary.

However, I will quickly point out to the House and to the country that depreciation is also included because we have gone from cash based accounting to an accrual basis. So we have some \$14.9 million of depreciation, which is explained in detail in note six to the financial statements. That is not cash walking out the door; that is the attempt to match the expenditure that you have incurred to match the capital outlays by way of expenses. So, you build a building, or buy a vehicle, that is going to last for four or five years. You may buy it for \$20,000, but if it lasts five years, and if it is on a straight line basis, you account for \$4,000 per year of depreciation.

Now, you have spent the money in year one. So depreciation is non cash. It is not cash actually flowing out the door, that money has already been spent and this is now a matching of the expenses with the economic benefit of those assets.

That is why you have to pay very close attention to the statement of cash flows. In fact, you get

some people, because of those types of concepts (depreciation and amortization), who like to ask, *where is the cash position?* I believe that the whole picture is incomplete until you look at the cash position.

Madam Speaker, in 2000, for at least eight to ten months after the General Elections, this country was told time and time again the country was broke, we inherited a broke country, the prior administration was derelict in its duties, they did not manage the resources of this country adequately. I was one of the people that said that. The Honourable Leader of Government Business was at the charge in that regard. And I was right there backing him up because I believed what he said and I saw the numbers, and the numbers did not lie.

Your good self, Madam Speaker, saw the incredible state that this country was left in. I can remember the exchange of letters in the press where the prior administration tried their very best to paint a picture. And they started talking about the fact that they had borrowed and that the benefits were going to accrue over many generations. I remember all the letters that they wrote.

However, despite the fact that you do have certain cash that is in restricted funds, that is, those funds can only be used for certain purposes, like the Environmental Protection Fund—which came in quite handy after Hurricane Ivan when we could do our clean up and get this country to where it needed to be to make money so that we could build schools and do all the useful things that the Government believes in, and that we believe in. However, we brought a Budget to this House almost four years ago—December 2001. That Budget was going to be the economic ruin of the Cayman Islands! We were throwing out the baby with the bath water! We were not going to realise the gains that we were projecting because people were going to relinquish their licences and leave the Cayman Islands!

I heard calls from the Government Bench for Members of the Opposition to apologise. But I say that the Leader of Government Business and every Member that speaks from the Government Bench that was there then, should also apologise to this country and should thank the prior administration because we had the guts to do what was necessary from a financial standpoint. It was not popular!

Do you think that any of the partners from my former accounting firm wanted to pay \$300,000 a year as an operating licence fee? Who wants to pay that? But the reality was, when the picture of where this country was financially was painted, they understood that we could not go after drivers licences, we could not go after import duties, we could not go after duty on gasoline, we could not go after any of those types of items because already the small man was under too much pressure—and is still under too much pressure. I am coming to that a bit later in my contri-

bution! But this country could not go through any massive borrowing exercise to fund recurrent expenditure, so we did what we had to do. We did what was right for this country, and I know that my friends on the Government Bench know what I am saying is true and would agree with me.

They owe us a huge “thank you.” They could come to this honourable House with \$1.5 million revenue measure and still project a surplus. I am sure they do not think that happens over night! I am sure they do not think that happened because the PPM got elected! If they think that happened because the PPM got elected, I tell them they are lost in self aggrandisement! And that is a very dangerous thing—especially for leadership. Leadership must always be humble, and in being humble leadership must acknowledge good, and acknowledge the fact that we were able to do what was necessary to bring this country to where it needed to be from a financial standpoint.

Look at the operating statement. Can you imagine that we could go through Hurricane Ivan and have some \$62 million of extraordinary losses in 2004/05 (which ended on 30 June 2005), and still only have an estimated actual deficit of \$36.7 million? In other words, working backwards there was an estimated actual surplus of some \$25.5 million. Yes the country got additional revenues in certain areas after Hurricane Ivan, because there was an influx of certain types of goods after the hurricane. We slashed the duty rates so that too does not paint the true picture of where we would be if the Government had not done that at the time.

I can stand here and say to this honourable House and to this country that we did an excellent job of getting this country (from a financial perspective) to where it needs to be. I am glad that the Government has not sought to go down that road.

Another area of interest—I remember when the Honourable Third Official Member answered our parliamentary question and revealed the strong cash position of Government. Certain Members of the Government Bench asked about accounts payable. They say that the proof is in the pudding. I do not know about the proof being in the pudding, but, certainly, when I look at these projected actual results, we see that, yes, the country had \$31.2 million of accounts payable; but we had \$42 million of accounts receivables! So not only did we leave the country in a strong financial position, we left them on a short-term basis having the possibility to collect more money than they had to pay out—\$11 million more!

Initially, I was a bit confused as to why it was that when the Members of Government were debating no one seemed to pay much attention to the details of the Budget. But the details did not provide the type of political gain. The details of this Budget clearly show beyond the shadow of a doubt that the 2002 Budget we brought to this country put us where we are today.

Now we can talk about being able to borrow this money. Picture us with that \$55 million hole. Picture us having tried to borrow to fill that for three consecutive years. That would have been another \$150 million in debt incurred. It would have been \$50 million less in revenue!

Madam Speaker, I believe in destiny and I do not believe that there is any little thing that happens in this universe that there is not a good reason for. I see today the ability and possibility to stand in this House and look at a country that is in a strong fiscal position and able now to continue to do a lot of the things that we all said is so greatly wrong with these Cayman Islands.

Madam Speaker, much has been said about policing and security. Rightly so, serious crime is on the rise. Home invasions are on the rise. We hear the Government singing the tune that we are going to give the police more money. It gets back to the old saying, "throw the money at it and the problem goes away."

Madam Speaker, let me paint three pictures: If you throw money at criminals they will probably take it. If you throw money at water it floats down the river; and if you throw money at fire it burns. What mechanism is the Government going to put in place to make the Police Service of this country accountable to this Parliament? I have not heard one word about it yet. That is why I said the Budget Address is very blasé. It is boring. It told me nothing about how we are going to get results. How are we going to get results?

Understand, the police know the Government has the majority, they are going to come here and carefully navigate the political landscape to answer the questions they want to answer; answer how they want to answer. They can wait us out because we have to pass the Budget by a certain date because of Law and they are going to get the money.

What are they going to do with the money?

How are they going to change?

I have heard the advertisements on the radio. I have heard the Members in here implore the public to help the police, to trust the police. But let us get back to reality. The general feeling in this community is one of great distrust, and one of great disgust also! The people of this country are fed up. I am not saying that it is the fault of the police.

I believe in all things there is a bit of blame to go around for everybody. Let us take a step back and say that one of us owned a business/enterprise and it was floundering. Are you simply going to vote funds as a board of directors, give it to management and say, "go fix it" with no tangible mechanism in place that you are going to hold people to account and that you are going to be satisfied that the turnaround plan that you have come up with is one that you buy into?

I do not know that changing the Commissioner is going to reap great benefits that everyone is talking about because the Commissioner is one person. There is an entire management team within the

Police Service. I am family to, and know enough people and police in this country to understand there are grave management problems when it comes to use of resources and getting the job done.

It would be good for us to study the per police officer spending of this country and compare it to other places in the world and see whether we are getting value for our money. Are we simply saying that we have a spate of violent crimes so let us throw the money out there and we can tell the people, "*see we are giving the police all this money go and trust them*"?

Madam Speaker, my colleagues and I were called to a community meeting in West Bay. The residents that have to access Caribbean Lane to get home are fed up. They showed us complaints that they have lodged with the police and two police officers were there at the meeting. There are four or five (I am not going to use the same flowery language that my friend the Minister of Works used!) thugs living on that road that cause nothing but problems. So much so that the residents are coming to us and they want another road built to access their homes!

We are talking about a little road up in West Bay! Everybody knows the problems. The police told us at the meeting that they know the problems, yet the citizens see nothing tangible being done. And now we are going to get up in this House and tell the same citizens to trust the police? A lot more work needs to go into this.

Word spreads quickly—you know the old saying that bad news spread like wild fire. Do you think that the majority of people in West Bay do not know what is happening there? Do you think that the majority of people in West Bay do not know that there is a crack house and that if you stood at the West Bay lockup and walked maybe three yards off the property and looked down Rev. Blackman Road you could see the house? It is right under the nose of the police.

An unsolved murder even happened there.

Thank goodness the grandson of the gentleman who used to own it saw fit one night that, come hell or high water . . . at one o'clock he arranged for a company to come in and demolish the house. But those people have just simply moved on to another haven.

When you have the second largest district and there is that type of gross under-policing, how can we then expect that there will be trust in the community? Madam Speaker, let us call a spade, a spade. There is a deep wound in this community between the citizens and the police. And fancy, frilly public service announcements (PSAs) on Radio Cayman, and a couple of us getting up in here asking our citizens to trust is not going to cut it.

Madam Speaker, there is a great work that needs to be done. We need to get there. The police needs the support of the community, but they have to look at what has happened within this society and

look at how reasonable an expectation it is that we are going to achieve that goal.

Madam Speaker, let me make it abundantly clear that I do not have any axe to grind, and I do not have any dislike toward any member of the Royal Cayman Islands Police Force. I have many friends and family in the Police Force, and I understand the great service that policing plays.

I try to stay out of areas that I know nothing about. I am not a builder. I am not an architect. I am not an electrician. So I stay far away from those things. I am not a policeman, but I would say as a conservative estimation that when I drive on the roads maybe once out of every time I am on the road do I see a police. When we hear about the brazenness—the armed robbery in George Town, in the capital in broad daylight!

If the criminals know that there is practically (at least from my observation) a zero police presence in Cayman . . . let us think back to when we were in school. When the teacher was in the classroom just about everybody was quiet and everybody was at least pretending to do their work. As soon as the teacher walked out to go to the principal's office the whole classroom erupted into chatter! People got up out of their seats.

When authority is not there you behave very differently than when authority is there. I do not want to tell the police how to do their job, but I can tell them one thing: if they think they are going to solve crime in Cayman and stop this scourge without at least being seen in the community, in my humble estimation, they have another thing coming. When criminals feel as though they can move as they want to . . . when I drive around in my district in broad daylight, when I drive through Rock Hole (I did so today because I thought I would speak today and I like to have things fresh in my mind), when I drive through areas that I know have criminal behaviour in it (because we know where they are), and when you see people that do not take a rocket scientist to look at how they behave and know that they are up to no good . . . and they are right on the streets, on the main roads with no pressure! They feel as comfortable to be on the main roads as you and law abiding citizens. Is that what we are going to call policing?

Trust within the community is only going to be built by the police getting into the community and earning it! They have to get into the community and earn it. When they start doing foot patrols on Caribbean Lane and cleaning it up, and when they start doing foot patrols in the areas that we know are high crime areas; when they start showing the people, that is when people trust. People trust those who are around them a lot. Have you ever noticed that? You tend to start to trust people you are around a lot.

Japan has one of the lowest crime rates in the world! Murder and gun crime is practically unheard of! There are cultural differences, and we have

to take that into consideration to be fair. But when you have a policing strategy that is community based . . . and what you do not do in Japan is build up those grandiose central hierarchies, that is police, you put it in the communities. You have outposts in the communities. So, the little boy or girl comes into contact with police all the time and [the police] become their friend. When they become an adult they will trust them.

I say, when you see police in the neighbourhoods, in the streets, keeping up pressure and showing that they are working, that is when we are going to be able to mend and be able to get to the point that we need to get to.

I can tell this honourable House that when it comes to Finance Committee I am not going to be satisfied, even if we have to go in-camera (because I understand that certain areas of this may be very sensitive and they may not want the criminals to hear certain information). All of us know that. The public appreciates that. But I want to know how it is that they are going to change their strategies with all the new money. What are they going to do that is new?

Adding officers and cars does not solve crime; it does not build trust, and does not get us where we need to get to. We are a long way off from that perspective. When I hear ladies in this community that are in their fifties and sixties (mature ladies) saying that they do not trust the police, we have a problem; ladies you know that are unequivocally honest! We have a big problem. We have it and we need to call it as it is!

I am going to listen with interest. I hope that some Member of the Government is going to get up and explain to this House and country how the money is going to be spent, how we are going to utilise the resources to make Cayman safer, to create mechanisms that are deterrents.

I say, and I am not the first one to say it, and not the only one to say it, so I am not going to take credit for it, but I will say it because it needs to be said: When a person is thinking of [committing] a crime the first thing he says to himself is, '*what are the odds that I am going to be caught?*' If the odds are low then he says, '*Okay, I will possibly commit it.*'

He will then say, '*Okay, if I am caught what is the penalty/consequence?*'

If that too is low then he is more than likely going to commit that act.

Madam Speaker, I always use the example of when we are driving on the road. You are ten minutes late and you need to get to where you need to go and you know what the speed limit is but you push the peddle a little more. Do you know why? Because you have gone through that checklist in your mind and you have said '*I really need to get there.*' A small example, but the same thing applies to more grave and heinous crimes, more serious transgressions of the law.

*[The Hon. Minister for Infrastructure rose].*

**The Speaker:** I recognise the Minister for Infrastructure.

## ADJOURNMENT

**Hon. V. Arden McLean:** Madam Speaker, if it is a convenient time for the Second Elected Member for West Bay, I would move the adjournment of this House until Monday, 24 October 2005 at 10 am.

**The Speaker:** The question is that this honourable House do now adjourn until Monday, 24 October 2005 at 10 am.

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

**Ayes.**

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

**At 6.56 pm the House stood adjourned until 10 am Monday, 24 October 2005.**



**OFFICIAL HANSARD REPORT**  
**MONDAY**  
**24 OCTOBER 2005**  
**10.17 AM**  
*Seventh Sitting*

**The Speaker:** I call upon the Second Elected Member for West Bay to deliver the Prayer.

**PRAYERS**

**Mr. Rolston M. Anglin:** Let us pray.

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

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

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

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

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

**Proceedings resumed at 10.19 am**

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

**Apologies**

**The Speaker:** I have received apologies for absence from the Third Elected Member for Bodden Town who

is off Island on official business until the 26 October, also apologies for late arrival of the Honourable Minister of Health and Human services.

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

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

Debate on the Throne Speech and the Budget Address continues. The Second Elected Member for the district of West Bay continuing his debate.

**GOVERNMENT BUSINESS**

**Debate on the Throne Speech Delivered by His  
Excellency the Governor on 10 October 2005; To-  
gether with the Budget Address Delivered by the  
Honourable Third Official Member**

*(Continuation of debate thereon)*

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker. I continue with my debate on the 2005/2006 Budget Address and Throne Speech.

Let me briefly turn my attention to the issue surrounding immigration. Based on the feedback that I and other Members of this House have gotten over the years, Caymanians typically look at this issue and how it ties in to the domestic economy and, ultimately, the Budget.

The typical Caymanian has a dream of owning a home and a car, and having their children in school. That has tremendous costs attached to it in these Islands. Typically, persons cannot build homes or buy cars out-of-pocket; they usually have to go to the bank or a lending institution to get a mortgage or personal loans. So, to achieve the Caymanian dream requires a certain minimum threshold of earning power.

Over the last decade we have seen tremendous growth in the non-Caymanian sector of our resident population, mainly in the area of work permit holders. This has had a tremendous impact on the price of labour in this country. Like any other product labour is a commodity—a human commodity. If all we have is a Caymanian baker with no imports, and then all of a sudden we get imports at different prices with

a different cost basis, it will inevitably have an impact on the price that the Caymanian baker can sell his bakery products at. It is the same thing with labour.

I am reliably informed that when the Westin Hotel was being built, Caymanian common labourers on that worksite attracted around \$9.00 to \$10.50 per hour. However, we have seen firsthand what happens when the supply of labour changes dramatically by way of imported labour. What has happened is that you have Caymanians—with the Caymanian dream—who need to make a certain amount of money to achieve that dream conflicting head-on with the dream of the immigrant.

The dream of the foreign national is a better way of life for himself and his family. They leave their shores (just as Caymanians did when our men went to sea) to make life better for their families. And what they are willing to accept in compensation is very different from what a Caymanian *needs* to earn to achieve the Caymanian dream. If people become hopeless . . . we can talk all we want about the varying issues in this country, but we will not achieve from a national standpoint what we all so much want and desire for our people.

In his contribution, the Fourth Elected Member for George Town brought up the issue of minimum wage. That is a controversial issue that needs deep thought. It is an issue that a number of different (what I call) legislative classes have brought up. In 2005 there was a private member's motion brought and accepted, there was one before it that was brought and accepted. I remember having distributed to us all the work of the prior Committee of the whole House and the work that they had done on the issue of minimum wage.

Any time you are going to be affecting the economy—there is very little we do these days that does not affect it, but, certainly, a minimum wage would affect it—we need to study it, think about it and make sure that we have all our ducks lined up and a complete risk analysis done so that we are clear in our minds what impacts it will have and how we are going to manage those impacts/risks if that is something that the country is going to do.

I say that whether it is minimum wage or some other methodology, we need to ensure that Caymanians are better able to achieve the Caymanian dream. Education is one aspect that plays an important role. However, I think we have all witnessed the fact that that, in and of itself, does not make any guarantees. There was a time when the cry was Caymanians needed education. Now we need experience. We need to be magicians! We need to go to university, get our degrees and qualifications and, at the same time, graduate at twenty-two years of age and have ten years of experience. What we need to do is start sending our children to university at age eight; have them graduated by age twelve, so that by age twenty-two they have the experience and the degree!

I had personal experience in this regard, very recently. A person that I know extremely well, who has a college degree and is a qualified accountant, applied for jobs at various mutual fund administrators. What was so disheartening about that experience was to see her send her resume out to all the major administrators and only get response from three. In fact, the company that I believe if not the biggest is certainly within the top three, did not even reply. Just this week they advertised in the *Caymanian Compass* in need of Caymanians.

One of the things that has happened over the years is tailoring advertisements to match the incumbents that companies have in post. I have noticed in the area of accounting (because I always skip through the classifieds and I pay particular attention to that area because that is the area that I have most knowledge in) a trend towards more generic advertisements by companies, which is a good thing. However, you sometimes start to wonder if they are simply catching on to criticism and are changing their tactics, but the end result is somewhat still the same.

Education is supposed to prove a prerequisite to learn and achieve. That has attached to it sometimes a great training cost to an organisation. If the person does not have experience a great training cost is attached. For example a mason with ten years experience is much more desirable to hire than a mason with no experience. The same with a doctor. But what we understand is that an investment in people is what is ultimately most important.

We have a lot of Caymanians who look at the country, look at themselves, and then ask, *why not me? Why am I stuck in the mire and not achieving?* . . . in whatever facet it is that they could achieve.

For example, Madam Speaker, we will see that very few Caymanians as security guards because the security companies bid on contracts on the basis of what they are going to pay a non-Caymanian for that job. They know that the hourly rate they are paying will not attract Caymanians. They have to know that because they themselves live the Caymanian dream!

If they live the Caymanian dream, what makes them believe that a Caymanian who is going to come to work with them is not going to have the same dream, just probably at a different scale. Instead of driving the expensive European car or expensive luxury car, they still need a car. Instead of having the four thousand square foot house they may want a one thousand square foot house, but it is still the same dream.

The whole issue of how we are managing human resources through our immigration policy is a key consideration to the future prosperity of Cayman and Caymanians.

Madam Speaker, immigration is topical. I see a headline in today's *Caymanian Compass*. We just had a visit from the Rt. Hon. Prime Minister of Jamaica, Mr. P.J. Patterson. The headline says, "PM

warns against discrimination.” It has to do with the fact that recently the press has floated the notion that the Cayman Islands may have a visa requirement for Jamaicans. All of us who have lived in Cayman have known the great pains that prior administrations have gone through trying to achieve a balance in the foreign nationality component of our population, trying not to have one nationality equate to a major proportion. There is evidence because you see shifts in certain sectors. For example you see a lot of Indian security guards, whereas ten to twelve years ago you did not see a lot of Filipinos in Cayman. There is now evidence of a lot of Filipinos here. All of that is brought about because governments over the years have tried to achieve a balance.

On this point I will say that we do need to ensure that we do not jump headlong into situations without clearly understanding what the impacts are going to be—because there will be impacts.

To use Jamaicans as an example, they consume within the local economy very differently than Filipinos or Indians consume. There are different habits in terms of how people live. So there are going to be impacts whether people want to accept it or not. There will be impacts on local commerce, retail, impacts on the rental markets and even impacts on our environmental laws. There will be a lot of impacts when we make those changes.

I am not saying that changes are not needed. I agree that we do need a better balance. But this country needs greater understanding of how the domestic economy works so that Government is armed with readily available information and a proper risk analysis before certain actions are taken.

The social impact cannot be understated. I have seen most recently that within the Cayman Islands there is a Filipino basketball league—I do not apologise to anyone about the way I feel on these issues. The whole issue of how Caymanians feel about the growth of the country and feeling that satisfaction that the country is still theirs is something that is also a key consideration. Ten or fifteen years ago when Caymanians felt that there was a comfort level, yes, the economy was growing and the foreign component was growing but Caymanians typically do not like people who are clique-ish, or who segregate themselves, who do not immerse and integrate into the society.

So, when there was a call for better balance in the foreign component an influx came from the Philippines. I have cousins that are Caymanian Filipino and some have integrated, I have a god-daughter that is Caymanian Filipino. However, we need to understand how different cultures operate before we try to bring them into these shores simply for economic reasons. I have great concern where we have nationalities creating even their own basketball leagues! That one has gone quiet from what I can see. I daresay that if it was a Jamaican basketball

league there might have been a much greater cry. But Filipinos still have not reached the numbers to cause that type of agitation within the Caymanian population. I say that we cannot wait until it gets to that level before we understand that certain action may need to be taken.

One of the key considerations for this economy is labour. The type of hostility within the Caymanian population—that is becoming distinctly “them” and “us”—does not bode well socially or economically for this country and we need to understand how we are going to manage the situation. We have to understand that whatever we do there is going to be an impact.

Turning to the financial services area: We see robust growth in the mutual fund/hedge fund sector. I do not believe that the revenue measures proposed by the Government are going to have any negative impact on the sector. As far as a fund promoter is concerned, having the fee go up \$500 is neither here nor there. We still have to be very careful of what our pricing is versus other competing jurisdictions.

**The Speaker:** Honourable Member you have thirty-three minutes remaining.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

We have to ensure that we continue to understand clearly our strengths and weaknesses within the financial services industry and, in particular, the mutual fund sector.

I was recently reading an article in a Bermudian newspaper comparing Bermuda to the Cayman Islands. Different panellists involved in the sector were giving their views as to why Cayman continues to enjoy a dominant position globally in the registration of hedge funds when compared to Bermuda and BVI. One of the key observations was the fact that in Bermuda the government is accused of being overly consultative—it takes too long to get things done, too bureaucratic, not seen as being investor friendly. Comparing that to Cayman’s situation, they gave examples that when things needed to be done in Cayman to promote our sector, to enhance the business and the viability of our sector, how swiftly we moved and how we managed to continue to give the outside world the impression that we were very competent, yet a very lean, mean and nimble jurisdiction.

Knowing the positions that have been taken over the last four years by the PPM, this is an area that causes me concern. I often find that they are so much caught up with trying to look good, to have a certain look and feel in their public relations, that when that now is going to collide with having to get things done, for example, in this sector, I am concerned that we may start to lose that nimbleness.

I say that the Government needs to pay very close attention to the needs of businesses, especially the financial services. It is a sector that contributes

greatly to Government revenue directly. What is more impressive is when we look at the earning power in that sector, especially for Caymanians. That is where Caymanians tend toward, and it is not surprising. Where there is a higher price that is where labour goes. There is also a social factor; people have told their children, *'You have to have a white collar job otherwise you are not really as good as the next person. You need to have on a suit, tie and look good if you go to George Town to work.'* We understand that is a part of it as well.

There was an advertisement this week—a local tourism establishment wanted a financial controller. The quoted pay was \$49,000 to \$65,000 with ten years' experience. The same paper had a mutual fund administrator with a quoted pay of \$65,000 to \$75,000 with five years' experience. When it comes to competing for labour the financial services sector has a natural advantage in the professional area. It is where Caymanians get the highest economic reward and it is where they will tend toward—at the high end. Even at the lower end you are not getting the Caymanian who wants to be a maitre d', despite the fact that they could double their salary versus that of a bank teller.

We need to understand those realities and ensure that we manage this area in a way that involves smart growth. We need clear business models as to where it is (within the confines of what is happening globally) that we want the sector to be and how we are going to get there.

If we do not do that we will continue to be victims of the international community when it sees us growing in an area, coming up with new rules, shifting the playing field completely and telling us we have to do things in some overly burdensome fashion, be highly regulated—more regulated than they themselves—we get caught flatfooted because we have not thought about where we want to be and planned and managed our affairs to get there. That is a critical consideration.

I believe that we have great advantages in that sector and we need to continue to maintain and enhance them.

Madam Speaker, as I said before the adjournment on Friday, the prior administration left this country in a very strong cash position. We have been accused of being too liberal and open when it comes to development and foreign direct investment. Whilst I do not believe those claims to be true, I believe as a small jurisdiction we have understood our limitations and our weaknesses, we understood the competition that we face in the development front and we went about ensuring that Cayman got a continual feed of good development for this country.

I can remember the great hubbub that we had in this country in 1995 through 1997 about the Ritz Carlton—it was the worst thing. According to many the Cayman Shores project and the Dart project were the worst things, terrible things for the Cayman Is-

lands. Yet we understand clearly today those two projects are key components to our economic future and viability.

We understand that the redevelopment of Seven Mile Beach Road and the advent of up to seven stories have caused major economic benefit to this country. The cash in the bank that the Government inherited did not just happen—it took a lot of hard work and it took understanding that you have to give a little to get something.

One of the things that has been very dangerous and has been preached to Caymanians for more than the last decade is the mantra that you can get everything without giving up anything; you can enjoy a stable currency, but you do not have to create demand for the currency; you can enjoy the standard of living we enjoy, but we can remain in the good old days. I have said this before and I will say it again without apology: other than a handful, I have yet to find any Caymanian who wants to go back to the good old days where the men were not in Cayman, they were on the high seas and not with their families for the majority of the year, beating mosquitoes. The mosquitoes were suffocating cows, and I have yet to find anyone who wants to go back to those good old days.

Yet, we were ridiculed from here to high heaven and down to low hell—too liberal! But I am waiting to see where this economy is within the next two years because there is a lot of momentum out there—momentum in development that we created and made sure was there because we understood that if you are going to improve education and if you are going to give all of this money to the police, if you are going to improve health services, if you are going to build a new airport, if we need new roads, new government accommodations, then you need money. The economy has to continue to be robust!

I saw what happened in 2000 when Government took a view that they were going to go along with the cry, *"We do not need any more development, and we have enough. Let's turn the tap off."* That tap cannot be turned off and on like some people believe. The public in this country has been led to believe that we are so unique and great that people are going to sit around with their money for ten or fifteen years and they are going to wait until we are ready, and 100 per cent on our terms, before they are willing to spend. Madam Speaker, if we do not embrace and understand that foreign direct investment is what makes the world tick and what makes economies robust . . . Bill Clinton was the greatest President, economically, in the United States history, according to many, because during his tenure the capital markets had the highest rate of foreign investment in the country's history!

A big country, yes, but they were open. It is the same principle when we to compete against countries who are willing to give land to developers so that they can get development in their country. We have to

clearly understand what our competition is and how our competition is working. We need to be awfully careful with our local economy.

I see in the press where there are issues within the Planning Department—which is not new. I know many people out there, especially young Caymanian developers, who are frustrated beyond belief. A lot of them are saying they do not know if they are going to continue to develop in their own country because they cannot get things done. I hear that there are plans going in and they are faulty, this and that, but the bottom line is that it has to be fixed.

We cannot complain about problems. That is “excuses” management. We have to fix the problems and make sure that planning is a key component to this local economy. If do not get those sorts of issues resolved, we will see the negative impacts that it will have.

In summing up, I say again that the Government should thank the prior administration for the strong position they inherited from a cash perspective, from an investment perspective, because this economy is moving in the right direction. I say that when we look at the infrastructure needs of this country today and those that are to still come, for example, office accommodations for civil servants, we need to understand that what I see here is unsustainable in terms of central bank borrowing. We have to come up with different ways to raise funds and be able to complete those necessary infrastructure development needs that this country is starving for. Unsustainable!

We cannot continue to believe that we walk to the bank, get the money, and off we go. There are too many needs that have to be filled—not needs that we hope or want to be filled, they have to be filled! The schools have to be built, the Tower Building has to be torn down and replaced, and the Glass House has to be replaced. We cannot continue down this road.

I say that if we continue down this road we will see very soon—sooner than many may believe—how unsustainable this approach is.

I say that this country is poised to move forward in the right direction, is poised to be able to achieve the national goals that I think the majority of Caymanians aspire toward. I say that we have contributed greatly through hard work and tenacity to ensure that we got to this point.

Madam Speaker, I look forward to Finance Committee because I am not going to do the usual, which is people come to that Committee knowing the Government has the majority, with no tangible way that they are going to show how all the money being promised is going to be utilised to solve the problems that this country face. Throwing money at problems does not solve anything.

Madam Speaker, I thank you and honourable Members. I look forward to everyone else’s debate.

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

The Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr:** Thank you, Madam Speaker.

As I rise to debate the Budget Address and Throne Speech, the first one of the People’s Progressive Movement since their election victory on 11 May, I would like to express thanks to God for sparing our beautiful Islands once again from the destruction of Hurricane Wilma. Seeing that Hurricane Wilma has caused great devastation in Mexico but has also gone on to create significant devastation in Florida, makes us once again appreciate how fortunate we were to be spared.

Once again we have reached the Budget and, as usual, every year the government of the day comes to the Legislative Assembly with the presentation of the Budget. We hear the claim that this Budget is a good one and it is going to solve our problems and address the current needs of the country. But, as usual, a few months later (depending on when the change occurs) we get the new government saying that the previous government did not do a good job, did not address the needs and that it was ill thought out; the previous administration did not know where to put the priorities. So far, that has been the method employed by the Members who have spoken from the Government side in support of this Budget. All of them are quite happy to be a part of this Budget and also quite happy to critique the previous administration on its shortcomings and on what was done wrong or what was not done at all.

I would like to congratulate the Honourable Third Official Member and his staff for doing a fine job in preparing and delivering his first Budget Address as Financial Secretary. I am glad to say that we finally have a budget for the new PPM Government. This gives us an idea as to what the plans will be for the new administration. I use the word “idea” intentionally because up to this point that is what it is—a plan. We will have to wait and see how those policies are manifested and whether they come out to be good or not.

Right now, all it is is plans and promises and we will have to wait and see. Now we know what the policy and plans are and we can look forward to giving our support or criticism where necessary.

I found it very interesting that prior to the Budget outlining the policies and plans we saw [a report card] in the issue of *Cayman Net News* on Friday 26 August 2005 for the PPM’s first one hundred days. I took it as an insult to the intelligence of the Caymanian people that the newspaper would attempt to give a report card on the administration’s one hundred days and give credit and condemnation to the administration for things that anybody in their right mind rec-

ognises could not (in any fairness) be expected to have been achieved in one hundred days.

I read from where it says Immigration: "Immigration - Impressive speed with decision-making and implementation of systems. More work needed on decisions by committee problem - B."

Madam Speaker, as one hundred days since the administration took over they are giving them a B grade.

Since that time we have seen the administration put together a new team to review the existing policies and plans that were in place to come up with changes and implementation of what is to be done but according to the editor of this paper he gave them a B grade for achievements that have been made in the first one hundred days.

It goes on to say, "Affordable Housing - On right track for tackling multiple issues - B+."

I recognise that the Government has done an inquiry into the pre-existing affordable housing. So far I have not heard of any new affordable housing plan. I have not heard about anything different except the stopping of the existing plan that was there and the investigation to see whether there was good value for money, or whether there were issues to be discovered. In the report card that was given a B+.

Under Caribbean Utilities Company Ltd. (CUC), I see, "Implementations of new corporation - B+."

That has to bring to mind a question as to how this editor could give a grade of B+ as to the administration's actions, reactions or dealings with CUC so far. If we were to ask the general public what their grading is with what has happened with CUC in the last six months, I am sure you would get anything but a B+ grade.

Even prior to the Budget we have the economy which says: "Economy - Careful financial management - B." I am not sure he knew how the management was going to be.

"Complaints Commission - Creating significant change - B+." Unless my recollection is wrong, I am sure that the Complaints Commission was established prior to the PPM's Administration first hundred days. It was actually established in 2003.

I think this is a good measure as to where the plans are for the Government—everyone in this honourable House and in the general public is anxious to see where we were going and how we were proposing to get there. Now that we have the Budget, we are able to look forward to the future and see where we are heading.

One thing that has come to me from this Budget and the first six months of the PPM Administration's time is that it appears that there is quite a difference in the policy of the previous administration and of the PPM's Administration. I know that change was promised, and I am not sure that that change is exactly what was expected. The UDP's policy was to try and control the rising cost of living so that life can-

not get any harder for our people, whereas it does not appear to have been a priority to the PPM Administration. It appears it is more of a situation of what will be will be.

Interestingly enough, I heard the Third Elected Member for Bodden Town make the point that two of the primary concerns that people of Cayman have is the cost of living and crime. I also heard the Second Elected Member for Cayman Brac and Little Cayman make the point that one of the issues that the Government had to get a grip on was the cost of money. The reason I say that there seems to be a different approach is because in six months our electricity bills have doubled, our insurance rates have tripled and our gasoline prices have almost doubled.

Madam Speaker, that is quite a six-month change! I am not sure that was the kind of change that the good people of Cayman saw when they went to the polls on 11 May. This is only six months, and my only hope as a Caymanian is that with the PPM policy all of the increases will come early in the term so that people might forget before the next election. If these increases are a sign of things to come, then, boy, the next four years are going to be a rough time!

The point I made may bear repeating: Our electricity bills have doubled in six months; insurance rates have tripled; and our gasoline prices have just about doubled.

Madam Speaker, I am not sure if there is an issue with that, or whether in some way I have misstated those facts, but it does concern me to say that in six months that is the kind of change we are seeing.

The other concern is that it appears that the policy is going to be to continue borrowing. We talked about the borrowing for this Budget being some \$60 million and in the Strategic Policy Statement it talks about finding new revenue measures. That causes concern because the high cost of money and the high cost of borrowing money, specifically, is alarming. The UDP Administration left the Government over \$80 million in surplus. If it was over \$80 million in surplus and the PPM Administration still finds it necessary, having inherited a surplus, to borrow \$60 million, what will happen in the year that we do not have a surplus?

For example, in this current Budget there is an estimated \$3 million surplus. If all things go well for the next year, we have \$3 million surplus. We know that there are a lot of things outside of our control. There are wars, terrorist attacks, acts of nature and all sorts of things that can go wrong. In fairness to the Government, they have projected a \$3 million surplus. Let us assume that that goes bad. We see that they are borrowing \$60 million using up the surplus that was there. What will happen if we find, next year, that we do not have a \$3 million surplus but a deficit? If we are not going to borrow the money we are going to have to find new revenue measures to make up for

that money or change some of the promises and plans that they have in place.

The United Democratic Party administration encouraged development. We reduced stamp duty, we increased building heights, and we gave concessions that were necessary to stimulate development. All of that was criticised by the then Members of the Opposition (who are now Members of the Government). The building heights were bad, we were losing money on the stamp duty fees and concessions, and the concessions to developers was a bad thing.

I can remember the Minister of Education saying in the newspaper that the concessions that were given by the UDP to the Ritz Carlton were almost “something criminal” (were his words) that was being done against the people of these Islands. Now, I do not know if there has been a change of heart as to what is criminal, because I now hear the Minister of Tourism and the same PPM administration saying that concessions are necessary to encourage good investment and that the Government is considering concessions for the Mandarin.

*[Inaudible interjections]*

**Mr. Cline A. Glidden, Jr.:** Madam Speaker, if there is a challenge or a question I can go back to the journals when there were discussions on the Mandarin, to say that there were concessions being considered and that concessions were necessary to encourage good development.

Madam Speaker, I am not sure if this is a growing-up or a learning process . . . and in fairness to the present Minister of Tourism, he was not a Member of the administration that previously criticised the Ritz Carlton concessions. I can only hope that it is a learning process and that the Minister of Education is teaching that, yes, concession are sometimes necessary.

*[Inaudible interjections]*

**Mr. Cline A. Glidden, Jr.:** Or, Madam Speaker, the question has to be whether it depends on whether or not the developers are supporters.

I do not know what the difference is why all of a sudden concessions would be good, but before they were bad.

We are happy to see that with time there is now support for the Ritz Carlton project. I can see that the Government has said publicly that they are interested in doing whatever can be done to get it open as quickly as possible because we are looking forward to that helping us to build our tourism product. That is a good thing. It has taken a long time for the education process, but it is good to see that we have finally gotten to the position that we are supporting.

It is a similar position with the Caymana Bay project, the Dart project. At that time the Government

was heavily criticised and now we see that almost every contractor and construction worker is dependent on the project to feed them—the cement companies and its employees, the hardware companies and its employees, the bus owners, the drivers that are providing transportation for workers, the supermarkets who are selling food to the workers, the gas stations who are selling gas . . . and the list goes on and on. The only other major construction is the redevelopment of Seven Mile Beach, which has been made possible by the decision to increase building heights.

Madam Speaker, you will remember all of the criticisms that the Government got for supporting that same Dart project. You will remember all of the criticism for support of the Ritz Carlton project. You will remember the criticism for the increase of the building heights. At that time they said that the Government was doing it because they were corrupt and bought out. Now the entire Island can see the benefit. Time has shown that those decisions were the right decisions and now the country is benefiting from it.

Now the country can see a budget from the People's Progressive Movement—their first one. It has no significant revenue measures that will negatively impact the country—no increased fees (although there is a concern about the borrowing). But because of those decisions you will remember when the Government increased the fees to the financial industry. That was going to be the destruction of the industry, the worst thing in the world; the revenue was not going to be recognised; the country was doomed. Time has shown that those hard decisions were necessary and were the right decisions. Now we will have to wait and see what the new Government has in store.

We have seen the record of financial management under the United Democratic Party. Time will tell whether the People's Progressive Movement administration will leave a positive legacy as well.

During the election campaign there were a lot of promises made about how the People's Progressive Movement Government could do things better than the United Democratic Party. They said they would do better with crime, education, health, tourism, road works and infrastructure and now that they are elected, in their first policy statement they are saying that in order for them to do more they need to find more money.

In principle they said that the United Democratic Party was doing as much as could be done with the current revenue streams and sources. They say that they need more revenue streams to provide the additional services and that they will be looking for these new revenue streams and will also need to have significant borrowing to provide these services. Maybe I am wrong, because I am not really familiar with their manifesto, but I have some confidence in saying that, while the document made promises of these things that were going to be better, it did not

say that it was going to require additional revenue sources and additional borrowing to achieve those things. It did not say that if you want a new school or a better education system than what is presently being provided we need to find ways of raising more money, or that if you want less crime you need to pay more.

Madam Speaker, if you are building a house and you hire a contractor, and he says *'I can build you this house for \$200,000'*, and he starts to build your house, and the plans that you gave him call for painted walls, a shingled roof, Formica cabinets and ceramic tile throughout the house (because that is what you could afford at the time), that is the kind of house you are expecting to get. But if another contractor comes along and says *'Hey, I can build you this same house for \$200,000, but instead of painted walls I can give you sure wall, and instead of a shingled roof I can give you standing seam, instead of Formica countertops Corian, or granite, and instead of ceramic tiles I can give you marble,'* you are going to say, *'Yes, this is a much better contractor and I can get a much better house. All I have to do is change the contractor.'*

If, after you change the contractor and give the job to the new one, he comes back in a few months and says, *'Oh, by the way, those changes that I promised you are going to cost you another \$50,000 to \$100,000'* . . . you are going to be quite upset and you will possibly decide that you cannot afford an additional \$50,000 to \$100,000 so you cannot get those better options. You may decide that the other options were good enough for you.

I think that is what happened on 11 May 2005. The people of Cayman got promises and all the things that were promised were good things—a decrease in crime is something that we all want for the country, and better education is something we want for the country. Everybody aspires for the best possible education for their children. But it costs more money for that.

Now we see that in order to fulfil the promises made in the 'little red book' (the Third Elected Member for George Town refers to so much) we need to find ways of making and getting more money. That may be a reasonable expectation and maybe the members of the People's Progressive Movement expected people to understand all along that they could not get more without having to pay more.

I do not know if all the people who went to the polls and decided to elect based on the promises in the book knew that they were going to have to pay in some way. If we borrow the money, it is going to cost us at some time. We have a small revenue base here and if we raise the revenue measures it is going to cost somebody. In some way or form the people of the Cayman Islands will have to pay for it.

The question will be whether those people are willing to pay more when the police come here and say what it is they are going to do differently for

additional money and be able to reduce crime and make it a safer place to live . . . the people of the Cayman Islands may decide that it is worth the additional money.

They may be willing to pay more to get a better education. We see the Education Policy to build a new school, and, yes, we recognise that we need new schools. I am the first one to say I recognise that we cannot build the schools without money. That will be the question for the general public to decide whether they agree that we should borrow more or that we will have to make do with what we have for a while longer until we can afford more.

Those are the questions we now face as a country: Can we afford to do all the things that we need? For the PPM administration it comes down to either delivering on the promises or not delivering. To deliver on those promises they need to find the revenue, and that is the situation they find themselves in. Those promises of a better Cayman are what people chose. To deliver on those we now have to find new ways.

Indications are given in the Policy Statement that to do that they will need new revenue measures or new borrowing. Thankfully, this year there was sufficient money there that borrowing alone appears to be able to run the Budget or the projects they planned. What will happen the next Budget time? Will there have to be new revenue measures, and are they measures that the country can afford? Will there have to be more borrowing?

Madam Speaker, I want to touch on a few items and areas of concern that people have mentioned to me. One of those is the very topical issue of immigration.

Not so long ago we got a new Immigration Law, a New Chief Immigration Officer, and, so far, I have heard good reports on the administrative improvements. People are saying how pleasant it is at the Immigration Department with the seating and numbering system and that administratively the changes are good. One of the things that the PPM administration has done is an amendment to the Law which we supported. It restricted the grants of Cayman status. With that amendment, along with the new Immigration Law, there should be no need for any more clean-up exercises that needed to be done. We were happy to support the restrictions and amendments to the new Law.

Since the hurricane season one of the other great concerns is the road works to be done. There is a lot of road work to be done. We planned to make remedial changes to the heavily used West Bay Road, and we are happy that the new Minister of Infrastructure has met with us and taken us on the road visits in the district and has given his support to ensuring that the change occurs and happens as quickly as possible. For those who are not familiar with it, that change is to increase to two lanes of traffic into George Town from in the vicinity of the Strand on



West Bay Road and up to the roundabout. Also removing the roundabout and making the Galleria extension road to be a left turn only. This will mean that people who are travelling from West Bay will always have a continuous flow into town and onto the Esterley Tibbetts Road from West Bay. This should alleviate traffic significantly until the Esterley Tibbetts Highway can be completed, and give a second road corridor to West Bay.

The other issue that people are concerned about is the issue of affordable housing. While the previous initiative may have had problems, and people expressed concern, the fact is that many Caymanians who could not have otherwise gotten a home did so under that scheme. A lot of other Caymanians who were hoping to acquire a home are now concerned because that project has been stopped and they want to know what is going to happen.

One constituent of mine is an eighty-year-old grandmother raising two grandchildren by herself. That is the first home that she has been able to acquire and she is justly proud of receiving that home. Sadly, she is one of those that seems to have been put on the "bad books" in that system and criticised for not being able to pay for her house. There is a unique reason why she cannot pay for her home. For the last ten years she has been getting rental assistance from the Social Services Department (of around \$800 per month). As a senior citizen raising two grandchildren, the government has contributed and paid for her rent in an apartment that was owned by a private individual and they were willing to pay \$800 rent. But when she got her own home and the mortgage payment—now to the Government Housing Initiative—is about \$500, the Social Services Department has told her that they will not pay her mortgage for owning a home.

She is one of those that makes the system look as though it is not working because there is outstanding rent that has built up for many months. On the other hand, the Social Services Department is now saving \$800 a month that they have been paying to a private citizen for ten years—but refuses to give her rental assistance to pay her mortgage.

Needless to say, Madam Speaker, the issue of affordable housing is one issue that, sadly, is going to be around with us for a very long time. We are going to have internal struggles between departments within government and we have to get sorted to move forward.

The other issue, especially in light of the storm, is the issue of our ports. We see that the Royal Watler Cruise Ship Terminal is ongoing and the Minister of Tourism made a statement hoping that the damage made by the storm would not be too significant and would not delay that very much needed and supported project. We hear that the Government is now looking to create berthing facilities for cruise ships. This is something that was supported under the

UDP administration. The investigations and plans were done, but at that time there was significant criticism as to the number of cruise tourists that we were getting.

If we feel that under the previous administration the number of cruise tourists was too high, we would assume that the new administration would be looking to reduce those numbers. I remember statements being made as to how the figures show that there is a proportional relation and that countries that have increased their cruise passengers also have incremental decrease in stay over tourists. If that is so, and we do have too many cruise passengers (initiated under the previous administration), one would have to ask the question, if we are reducing the cruise passengers, would it make sense in investing in a berthing facility?

Maybe that position has changed and there is more thinking along the same lines as the UDP administration where we felt that we had to embrace cruise tourism. If so, we are happy to hear that there has been such a change in policy.

We need to know whether there has been that change, or whether that money could be spent on something else.

**The Speaker:** Honourable Member is this a convenient time to take the morning break? Proceedings will be suspended for fifteen minutes

**Proceedings suspended at 11.42 am**

**Proceedings resumed at 12.02 pm**

**The Speaker:** Please be seated.

Proceedings are resumed. The Third Elected Member for the district of West Bay continuing his debate on the Budget Address and the Throne Speech.

**Mr. Cline A. Glidden, Jr:** Thank you, Madam Speaker.

When we took the break I was discussing the situation with the port facilities, specifically discussing the issue as to the berthing facilities and the policy of the new administration when it came to cruise ship versus stay over visitors. In line with that I wanted to touch on the West Bay Cruise facility which we notice has been stopped as a part of the policy of the PPM administration.

Madam Speaker, the United Democratic Party Government was supportive of that and we saw the need for having a satellite facility in the district of West Bay. Recognising that it is a new Government, and that there will be new policies and plans, I can only respect that they decided that it is not necessary to do the cruise facility in West Bay.

My only real concern with that is that Government was fortunate enough to get the Cruise As-

sociation to pay for the purchase of that land. We know land is a very valuable entity, and now that Government has that land and it is not going to be used for the facility we can only hope that the Government of the day will decide to use it for some other useful purpose, maybe another park next to the public beach to enhance the launching ramp that it can be used. Maybe after the opening of the new Boat-swain's Beach the Government will decide that it needs to be used, maybe for a staging facility. It is a valuable piece of land, it has been purchased and, hopefully, there will be some good use for that property.

The other question in regard to ports is the airport. We know that the airport sustained major damage during Hurricane Ivan. What has been done so far has been done on a temporary basis. I know under the UDP administration plans were in place for the redoing of the airport and it was going to be a phased reconstruction. I have heard through the marl road that the same plan has been adopted by the current administration, but on a fast track approach.

I have been told that the new airport will be completed in a shorter period of time instead of phases using the existing plans. It is one of those things that is very important as a part of our tourism and for the day-to-day life of all citizens of Cayman. We would like it to be done quickly, recognising that for all of the improvements there will be a cost. We will have to see whether we will have to do phased improvements to the airport or whether the country can afford to have it done all at one time. I wonder if we could get an idea as to what will be happening and the timeframe of what will happen at the airport.

Madam Speaker, the other area of concern is sports facilities and the lack thereof since the storm. The facilities have taken quite a bit of damage and there is a concern as to when we will be able to get some improvements to those facilities and a concern about lighting on the field because now the teams cannot use the fields at night. It has been more than a year since Hurricane Ivan, and the teams are getting a bit frustrated by not being able to get back to practice and play games at night.

I heard someone complaining about the lack of lights at the Truman Bodden Field walking track. Obviously there is a concern for safety. They have to try and balance the idea of a healthy lifestyle walking in the dark versus their safety. I have heard that the lights seem to be on order and they are going to take six months or a year to get them. While that seems like an excessively long time all I ask is that in the interim something on a temporary basis be provided to allow the use of the different sport facilities.

We all recognise the value that sports plays in the development of our young people and we need to now look at the need for enhancements and improvement to those facilities.

The other area of concern is education. The Honourable Minister of Education tabled his Educa-

tion Report—and we are happy to see that Report. The Minister got input from all the concerned members of the community on the Education Report. We are glad to see, along with that Report, a continuation of the previous policy on education where we seem to be going along the same path of the creation of three new high schools, and one of those in the eastern districts which we have already had the groundbreaking for, the land has been purchased and the plans are in place. We are also glad to see that the Honourable Minister of Education and the new Government have decided to continue with those plans.

I am overjoyed to know that we are also going to continue with the plans for the Beulah Smith High School in the district of West Bay. I know there was concern about that continuation and I appreciate that the Honourable Leader of Government Business gave that assurance during the conference. West Bay was going to get a high school; Frank Sound will get a high school, and George Town will get a high school.

I am sure those people who expressed concern were happy to hear that the plans were still ongoing. We, on this side of the House, give our support to the Minister of Education in the continuation of those plans. We are happy that they found some good in the policies of the previous administration that they could continue. We are happy to support that.

Madam Speaker, one of the issues that has been spoken to me in a positive way (and I guess there is not too much more for this administration to do) is the issue of telecommunications liberalisation because people are excited about the fact that the reduction in prices has been so significant in such a short time. Now we are enjoying the benefits of full competition. For a while we were only seeing competition in the cellular aspect, but now we are seeing competition in long distance calling, residential phones and also data service.

A few days ago I saw an advertisement in the newspaper asking, "*How low can we go?*" I think we are getting data services now for \$39 per month for unlimited use. Just a short time ago we were struggling with exorbitantly high data rates. To call the United States we were paying over \$1.40 per minute. Now we can call the United States from our cell phones for somewhere around .20 cents per minute. That is recognising the true benefit of competition, something that the previous administration was very keen on even in the face of much opposition.

There were all kinds of assertions made at the time it was done. There were assertions made as to who had interest and what was the reason for it. We now see that while it was a difficult decision and people took it as a personal attack on the existing telecommunications company, the country on a whole is benefiting—from the little old lady that has to call her grandchildren somewhere in the United States, to the parents that have to communicate with their children in school, down to the businesses that are looking at selecting Cayman as a jurisdiction of choice.

When they look at the cost of doing business here, telecommunications is one of the issues that would make them consider Cayman as being a competitive jurisdiction, and so we are seeing all the benefits that will accrue from good competition.

The Second Elected Member from Cayman Brac and Little Cayman touched on the need for allowing Caymanians the opportunity to get into their own businesses and enjoy the wealth and the benefits of Cayman. He touched on the part that the Cayman Islands Development Bank has been playing in that, saying that while they have done their part (and he gave credit to the previous administration), more needs to be done.

While doing research for this contribution I came across *The Cayman Islands Journal* of October 2005.

**The Speaker:** I just ask that you lay a copy on the Table when you are finished. Thank you.

**Mr. Cline A. Glidden, Jr:** The point that I wanted to highlight is where it says, **“The bond issue shows confidence. In particular, CIDB targets micro and small entrepreneurs in the tourism, agricultural, industrial and services sectors. The bank has financed a variety of projects including charter vessels and tour bus operations to laundromats and manufacturers.**

**“From 1 March 2002 until 30 June 2005, the bank approved 146 loans totaling CI\$5.8 million for small businesses.**

**“CIDB is also involved in mortgage financing for the low-to-middle income population. More than CI\$9.5 million has been approved covering 121 mortgages from the bank's inception up until 30 June 2005.**

**“Under the category of human resource development where people can take out loans for academic, vocational and technical programmes, the bank has approved 129 loans worth CI\$2.7 million over the same period.**

**“For the fiscal year ended 30 June 2005, the bank approved 84 small business loans totalling \$4.2 million, 53 housing loans totalling \$4.7 million and 40 student loans totalling \$0.8 million.**

**“Angela Miller, General Manager of CIDB, notes the importance of these figures. ‘The significant number of loans approved during the fiscal, year ended June 30, 2005, is an indication of the demand for development financing in the Islands, especially within the small business sector. In this regard, the CIDB intends to continue to facilitate the development of the micro and small business sector by providing not only development funding but also technical assistance and guidance,’ Miller says.”**

I think that ties in very closely with the point

made by the Third Elected Member for George Town when she asked who are we developing for. We see that we are developing for all of those Caymanians that have been able to take advantage of the opportunities afforded them by the Cayman Islands Development Bank and other resources.

We remember there was concern that it was going to be a bank that was competing with other class A banks and that there was no need for another bank because we could use the traditional banks. Now we see where the benefit has been to Caymanians. I know of people in my own constituency who have small factories that are doing quite well. We see that there is so much confidence that there was a bond issue that was over subscribed by some \$12 million.

Madam Speaker, that was done under the United Democratic Party, but the Second Elected Member for Cayman Brac and Little Cayman made the point that more needs to be done. And he mentioned the need to moving from \$12 million to somewhere around \$100 million that could be accessed by the people of the Cayman Islands. I think that is a good goal to work towards. I think that if the UDP was able to do \$12 million—especially in a year like 2005, which was a difficult year—if the PPM administration could set a target to double that amount and do \$25 million per year, at the end of their four-year term they would be at the magical \$100 million that the Second Elected Member from Cayman Brac and Little Cayman mentioned.

I am sure that in four years, if we could get the equivalent of \$100 million being lent to small businesses, to entrepreneurs, to people wanting to further their education, we would agree that the Cayman Islands would be a much better place for all the people.

Another point that bears interest is tourism. Before I get started on that topic I need to clarify the point that my good friend the Honorable Minister of Tourism wanted me to clarify: At no time did he support the concessions that were given to the Ritz Carlton.

The point I was attempting to make when there seemed to be some confusion was that that Honorable Minister has since come forward supporting possible concessions for the new Mandarin Hotel Development on the eastern side of the Island, and that, previously, the Minister of Education had gone publicly and criticised the concession that had been given to the Ritz Carlton Hotel.

Madam Speaker, we heard talk before of there being five different governments but now being one government. It would be interesting to see whether the policy of the new administration is to support concessions or not to support concessions. Hopefully that clears up the concern my friend had concerning his support.

One thing I have seen since that time is that

the new Government seems to be very supportive of the Ritz Carlton Project and the benefits that will flow for the country. The question is whether in the absence of those concessions we would have a project like the Ritz Carlton to look forward to. Since the Government of the day had the foresight to give those concessions, we do not have to worry about that. The project is going forward and we wish it every success. We look forward to the opening soon, and the enhancements that will bring to our tourism product.

Madam Speaker, there is a question concerning the new policy of cruise ships versus stay over passengers that I touched on earlier. There has been much talk as to the value of the dollar spent by a stay over guest versus the spending by the cruise ship guest. I know one of the plans of the previous administration was to try to extend and increase spending of the cruise ship passenger. Obviously, the longer the passenger can stay on island the higher the spending would be.

I vividly recall Members of the now Government criticising and expressing the concern that studies have shown that when you increase cruise ship passengers to a destination there is an automatic reduction of stay-over visitors. The question now has to be asked as to what the policy is concerning tourism for the new administration. We get hints that the policy has changed and we know there is talk about a berthing facility. We can only assume that if they are going to continue with the berthing facility that they are going to adapt the continuation of the cruise ship passengers. After having heard how bad those increased numbers would be, it is now left to see what the policy is going to be.

The policy of the UDP's administration was to try and create a balance, especially during the time following Hurricane Ivan when accommodation was so restricted. We recognised the need to get as many cruise ship passengers as possible to try to make up for the shortfall in the stay-over passengers. We came under much criticism for that. It will be interesting to see what the policy is in regard to that especially in connection with the project at Boatswain Beach in West Bay.

I happen to know that the Cayman Islands Turtle Farm made significant commitments—around \$40 million to \$50 million—to develop that facility, which has been seen and appreciated by all and claimed to be a world class facility. That facility has been planned around a significant number of cruise ship passengers. Now that the Government has embraced that project, and we are looking forward to the completion of the project, there is concern throughout the country as to what the policy will be in regard to cruise ship versus stay over passengers. As we have seen before, while projects may have been done with good intention, if there is not adequate planning for the project—and the one that comes to mind is Pedro St. James Castle. While there was money expended and a good plan, we now see that facility, instead of

being an enhancement to our tourism product, is seen as a drain on the finances of the country. The big concern has been that the limitation on transpiration to that facility is what is causing it not to recognise the revenue that it was expected to recognise.

I heard the Third Elected Member for Bodden Town making the comment that the new Minister's policy is to move tourism from being so heavily concentrated on the Seven Mile Beach into the eastern district. If done correctly, it may very well have the positive effect that is necessary for Pedro St. James Castle. The question has to be, what will happen to Boatswain Beach? The number that I remember that they needed to get to the facility was around 400,000 to 500,000 people per year.

I know one of the reasons for doing the West Bay facility was because we recognised that to increase the passengers to Boatswain Beach we would need another method or mode of transportation. Unless we are going to get the new Harquail Bypass all the way to West Bay in time then maybe we will not need the dock or another method of transportation to West Bay. It will be interesting to know what the plans are to facilitate the increased number of passengers that will be necessary to make that facility a success.

I am glad to see that other projects that were ongoing, like the Jazz Festival and others, have been continued and we look forward to supporting those projects in any way we can.

One of the issues in regard to tourism ties in to complaints concerning the pickup policy at the waterfront. I know there are different policies put in place at different times. The reason why this has been brought to my attention as a great matter of concern is because one of my constituents (a sixty-five year old grandmother) was recently in court for picking up someone in her taxi by the Hard Rock Café. I am sure that the Minister (having been involved in that Ministry before) knows of the difficulties.

A scenario was explained to me a few days ago. Apparently the law says that from in front of Harbour Centre to West Wind Building, taxi drivers are not allowed to pick passengers up. The taxi drivers have approached me to explain that in some cases . . . I think that attempt was for an orderly way for tour operators to organise and collect their passengers from the dock when they are coming from the cruise ship. The taxi operators that are not involved with the cruise ship operation are having difficulty. The lady told me that if a passenger is collected from the Westin Hotel and they say they need to go to Maples and Calder to conduct business (not a cruise ship passenger but a stay over tourist), they are taken to Maples and Calder. Then they say, "*pick me up at 12 o'clock,*" when the passenger is collected they say that they want to have lunch at the Hard Rock Café. They then say, "*in two hours time we want you to pick us up at the Hard Rock Café.*" That taxi driver goes to Hard Rock Café to pick up the passengers; she is

seen by the security who directs the police to give her a ticket because the law forbids taxis to pick up passengers in that area.

Here we have a lady who has been in the taxi business all her life, law abiding as far as possible, raising her family, out doing an honest days work. She picks up her passengers, gets a ticket and now finds herself in court for the first time in her life. That is obviously something of great concern. I can only ask, if the Minister is not aware of the situation, that something be done to allow for some middle ground to help the plight of our hardworking taxi drivers.

Madam Speaker, we have all seen the great recovery the Cayman Islands has made since Hurricane Ivan. In light of the pictures and stories coming out of the great United States following Hurricane Katrina, I think we will all agree credit must be given to the previous administration for the positive decisions that were made to allow for that recovery. Hopefully the new administration will not be tested by that kind of devastation. Once again, we see where the need for decisiveness—even in the face of significant criticism—achieved the goal of allowing the Cayman Islands to recover quickly.

We now see that the hurricane has severely impacted Cancun and Cozumel. We know that the cruise ships are on the way there after they leave Cayman and they will not be able to go there for quiet a while, maybe we will have to relax some of our policies—I cannot say relax, because I am not sure as to what the new administration's policy is in regard to cruise tourism and to the numbers. Hopefully, they will adopt the attitude that this is a good time to enhance or quicken the visits to Cayman Brac and Little Cayman from some of the cruise passengers. With the absence of Mexico for quite awhile they will be looking for additional ports. I am sure they will be anxious to find assistance in whatever way. I know, because of the good relationship that has been built with them, they are depending on the Cayman Islands to step in and help them.

Madam Speaker, in discussing hurricane preparedness, the issue of the garbage dump comes to mind. That is of great concern. As I mentioned before in this House, for many years we have been hearing that the dump is close to capacity. I remember hearing in 2001 that there were two years left. In 2004 I heard that there were another two years left (I think we bought another piece of property at that time and expanded the life). Since then I have heard the new minister for infrastructure tell us that there are approximately seven years left. If the magicians over there can continue doing that, I guess we do not have to worry about the garbage dump for a long time to come.

The reality is that something must be wrong with those numbers. It is interesting that when it comes to those calculations . . . and one of the things I have found out is that the people who estimated the

quantity of toxic ash that was to be cleared are the same people that are calculating the amount of years for the garbage dump! We found out that the quantity of ash went from 20,000 cubic yards down to 15,000 cubic yards, and now we understand that it is less than 5,000 cubic yards.

Madam Speaker, while we were able to deal with that toxic ash, I do not know how much that miscalculation cost the country since we started building a facility to accommodate the 15,000 or 20,000 cubic yards, and now we find out that it is only less than 5,000, and we have been told that we will keep that facility that was being built, use half of it now and use the rest at such a time when the ash or something else is generated that will need it. You can see why there is an area for concern, Madam Speaker.

If the calculations are as wrong on less than 5,000 cubic yards of a product, and they went so far as to say that it was four times that amount, and those are the same people that we are depending on now to tell us what the life is for something as important and critical to the country as the garbage dump . . . obviously, we have a concern.

Madam Speaker, I have not gone there to calculate, but I had to go to the opening of the Water Authority Treatment Works and in driving past I saw that the mound is continuously getting bigger. There is also a stench and, with the loss of vegetation by Hurricane Ivan, it is much more visible and we can now see the garbage dump.

Madam Speaker, during the previous administration I was intimately involved with looking at various solutions for the garbage dump. We had proposals in place and there were some solutions. We were working on the costs, getting proposals and seeing what could be done. Now there is a multi million dollar (maybe billion dollar) development going right next to the garbage dump. I am sure the developers are going to have concerns about the dump being in their backyard or side yard.

When the time is right maybe the Government will look at a possible solution that would benefit the entire country. There are new and innovative ways and means that we could deal with the garbage problem. I hope that we do not take the approach that because we have been told by the magicians that there are seven years remaining . . . I know one of the other issues that contributes to it is that when the fires start to burn they create more space as well. Sometimes those fires give us some additional time, but I think now is the opportune time for the country—when we are looking at infrastructure development—to look at whether we are going to keep the garbage dump in that location or find some other way of dealing with it. Obviously, it is something that needs to be addressed. I have not seen any significant funds in this Budget, but, hopefully, we will see a solution being made to garbage dump.

The other topical issue is crime. We always

have concerns expressed about crime. I was surprised to hear that the Third Elected Member for Bodden Town would try to put the blame of increased crime on the grants of Cayman status. I know that the grants were an unpopular issue, and I know that the Government of the day used those grants to scare and get people concerned and to win the election. But the election is over, and we do not have to worry about it for the next four years. I am surprised to still hear the status grants being attributed to the increase in crime.

It bothers me when I hear the Members talk about the checks not being done on the grants. I hope that the Third Elected Member for Bodden Town and the Government know . . . because if we do not acknowledge where the problem is, it will be hard to fix the problem. But the people that were granted Cayman status were not newcomers to these shores. Eighty per cent of those people have been here for eight to ten years; the other twenty per cent, which is about six hundred people, were all here on work permits.

*[Inaudible interjection]*

**Mr. Cline A. Glidden, Jr:** I hear the Member saying that there was a person that was only here for fourteen months. I am sure that person was the Acting Solicitor General, and he would have had to be here for a long time—much more than fourteen months. But, be that as it may, if there were six hundred people that were here for less than eight to ten years, those people all had valid work permits. If a person has a valid work permit which requires immigration to get police records, letters of reference, and all the things necessary to get a work permit, are they then saying that the Immigration Board is lax in its duties? Are they saying that we cannot trust the Immigration Board as to who it gives work permits to?

It baffles me to believe that a person is here for eight to ten years—and in some cases fifty years—living from year to year on a work permit, good law abiding citizens, satisfying the Immigration Department to get their permits renewed year after year (right?), but then, all of a sudden, because they are granted the paper saying that they have Cayman status, they all of a sudden become criminals? There is no logic at all that can be applied to that.

If you give someone a stake in the country and make them feel that they are a part, this is their home and this is where they live, they have been here and satisfied the need for that period of time, why all of a sudden is giving them the grant of Cayman status going to turn them to be a criminal? And if they were criminals before why didn't the Immigration Department send them away, why did they continue to approve their work permits?

That is what concerns me about the administration. It was understandable that they would say those sorts of things during the campaign when they

wanted the votes, but to continue down that same path now leads me to believe that they genuinely believe some of that stuff. If they believe that is the problem they would believe that creating the visa situation is going to be the solution to our crime problem. That is what worries me.

Just a few months ago the Minister of Education (who was the Second Elected Member for George Town at the time) criticised the United Democratic Party Government on its policies dealing with crime. He got up here and talked about creating a police state and taking away the rights of the citizens. He went on and on to say that we should not react to crime in this way. Now we get a raft of crime legislation coming here.

We see on the front page of one paper where the heads of the telecommunication departments are concerned because this legislation came without any consultation. Now, that is a surprise, Madam Speaker, because consultation, inclusiveness, and transparency were the by-words of this administration. As important as the rights of the individuals may go, we now hear that it was done without any consultation. And we hear someone that was involved with the drafting of the Law say it had to be done quickly. That is the reason why it had no consultation.

We recognise that there are some things that have to be done quickly. The question has to be, why was the position of the PPM soft on crime eight months ago, criticising the Government for bringing it, and now all of a sudden basically anything goes without consultation? Is it because the Minister of Education has to have bodyguards now? Is that what it took to get them to finally see the light?

Why was it not good eight months ago but now anything goes? Whatever is necessary now we will do? We will not consult with the people anymore. We will be able to get their records . . . I saw one of the communicators say that in England they are asking for the records to be held for six months. We have an amendment here asking for the records to be kept for five years. Have we spoken to the providers to say that five years is reasonable and something that can happen?

Consultation? Apparently there was none because crime all of a sudden has become something. Eight months ago the same Member got up here and said we are taking away the rights of citizens, we are going too hard, we're being reactionary in bringing legislation. I hope that is not what we are going to see from this administration. I hope it is not going to take those kinds of actions for them to finally react. Lack of foresight is obvious to see until we get to the point where we have to leave the Assembly Building with security, the Ministers have to have security, yet all of a sudden crime was not a concern. How far will it have to go?

We cannot afford not to deal with crime. I heard one of the Members over there ask why we supported [the Crime Bill]. We will support whatever

is necessary to bring safety and security to these Islands and our residents. I spoke to the Member moving the Bill. I expressed a concern, we discussed it and the Member made amendments in light of that discussion. If it is necessary, I am sure the Member will bring back the necessary amendments. But that is not the point. The point is that the Government, whose policy it is, has to decide whether they are going to be visionary or just reactive.

With all the crime that was going on . . . twelve months ago we knew that we were under a crime wave. We knew so much that we tried to bring legislation here, and we brought it. The Member (who was on the Opposition at that time) criticised that to the hilt! Was that just politics?

I find it hard to believe that the Member would play politics with something as serious as crime. As important as the safety and security of our citizens is, I find it hard to believe that is what he is doing.

Is it education?

Has he just seen the light? Or has he finally been shaken into reality?

I do not know, but we are going to have many of those issues that will require foresight and leadership. It takes more from an administration to run a country successfully than winning an election. Winning the election does not mean that they are going to be a good Government.

When these signs are there they bring the need for concern. Because he is now the Minister for Education has he, all of a sudden, become more concerned and versed in the need for security and having hard penalties for crime? Has he made that change just because he won the majority in Government? He was elected in the Second Elected Member's position and he still took that soft approach on crime.

Madam Speaker, throwing money at crime is not going to solve the problem. The PPM administration gets up and brags that they have committed some \$45 million to crime-fighting for the next four years. That will not solve the problem. If the real position of the PPM administration is that of the Second Elected Member for George Town, the Minister of Education, that we have to worry and concern ourselves more with the rights of the criminals, then what hope is there for us to have a safe community?

Like a good friend of mine on that side told me, circumstances alter cases. Maybe the events that came close to home shook him enough. If that is what it takes to bring him to his senses, then we have rough lessons going forward.

**The Speaker:** Honourable Member I think you have told us enough about the Minister of Education and crime. Please move off that point.

**Mr. Cline A. Glidden, Jr:** Madam Speaker, I bow to your ruling—

**The Speaker:** Thank you.

**Mr. Cline A. Glidden, Jr:** —but I am surprised that with crime being such a topical issue we would not want to hear more about it.

**The Speaker:** You can speak as long as you like on crime, honourable Member. I have no objections to that. But you have repeated yourself with the Minister of Education about five or six times. As Speaker, I consider that tedious repetition.

*[Inaudible interjections]*

**Mr. Cline A. Glidden, Jr:** Madam Speaker, the other point that I am going to move on to is the cost of living.

While we heard the Third Elected Member for Bodden Town mention the concern about insurance, we heard the Second Elected Member for Cayman Brac and Little Cayman mention the high cost of borrowing money and the cost of fuel. The one point that does not seem to be spoken much about from that side is the cost of the high utility rates in the Cayman Islands.

I made the point earlier on that the bills increased around fifty per cent in the last six months. Before I go down this path, I recognise that I am treading on dangerous ground because when the Leader of the Opposition spoke about this same topic he was told that if he was not careful his power was going to be turned off. Within 24 hours his power was off! So, I am hoping that when I get home I have electricity!

*[laughter]*

**Mr. Cline A. Glidden, Jr:** Cost what it might cost, I feel that it is my responsibility as an elected Member to discuss the issue. If I am without power tonight one of my colleagues will help me get it turned on.

Madam Speaker, the situation with electricity rates in Cayman . . . we all know that the service provided by Caribbean Utilities Company Ltd. (CUC) is a good service. We all recognise that the investments made by CUC have benefited the country significantly. The same would have to rightly be said about Cable & Wireless. The benefits were significant and the communication services provided were excellent. Thankfully, there came a government that had the political will to make the changes. It is left to be seen whether their administration will show and exercise the political will exercised by the previous administration. Only time will tell.

Cable & Wireless had a monopoly. There was an existing contract and licence arrangement. The United Democratic Party Government, of which I was proudly a part, decided that no longer could the country afford to have one provider of telecommunications.

No longer was it in the best interest. Even though there was an existing licence, the government entered into hard negotiations, late nights and a lot of pressures. Now we are reaping the benefits.

I even think that Cable & Wireless is reaping the benefits and has shown that they are better, more efficient and competitive. The customers are not there because they are the only game in town; they are there because they have chosen them as being the best provider of the services that they want at the best price.

I do not know how much business they have lost. I do not know what market share they have lost. But they are still there providing a service, and as far as I can tell, while there have been changes and new companies coming and going, Cable & Wireless is still there. That is credit to them, even though people at the time felt that we were trying to destroy Cable & Wireless.

Many Caymanians have left Cable & Wireless and have gone into providing services for all telecommunications providers and are doing much better. I can think of a trenching company. I can think of companies that provide insulation service and towers. They are all good business opportunities for young Caymanians. After looking at it, the introduction of competition was not a bad thing. Now we get back to the situation with the utility company, CUC.

Madam Speaker, after the Government spent significant time and was able to get a new contract and get the liberalisation of telecommunications the government of the day decided that they were going to start talks in the hope of a similar achievement with CUC. So talks began, and committees were established. We went through establishing the committees; we went through legal challenges, hiring consultants, the wars in the newspapers until finally CUC realised that the government of the day was serious and that something needed to happen.

We got to the point of forming a joint committee and meetings took place and documents were drawn up and timelines were set whereby agreements have been in place. The agreement was wide and all encompassing. It was a new licence, even though I heard the Third Elected Member for Bodden Town give the excuse that the person responsible for these increases is not the PPM but the administration that signed the contract that gave them the rights for these increases some twenty years ago.

The important point is the early conclusion of that licence because of the negotiations and the insistence and the political will of the previous administration. The new licence they were willing to accept and sign in principle was going to be a non-exclusive licence, a licence that took into account the hurricane insurance (or lack thereof); a licence that allowed for an initial rollback of electricity rates then a freeze on electricity rates for a five year period, then the new rates to be calculated on the cost of living and no longer on a 15 per cent rate of return.

**The Speaker:** Honourable Member you have sixteen minutes remaining. We will take the lunch hour when you have concluded your debate.

**Mr. Cline A. Glidden, Jr:** Thank you, Madam Speaker.

After that agreement was in place (that would have called for a rollback and a freeze then a different method of calculation), Hurricane Ivan came, which obviously removed the negotiations.

I need to say that prior to that, the company decided that they were going to continue with the increase of 3 per cent, which they were entitled to. The Government said to them, "*Listen, we are in negotiations and we do not want you to increase.*"

They said, "*No, our licence allows us to increase and we are going to increase.*"

They increased it and we sat with them and said, "*Your licence will allow you to increase, but understand that since we are in negotiation for a new licence, that will not bode well when it comes to the consideration for a new licence.*"

As any smart company would do, CUC asked, '*Should we take this 3 per cent increase now and take the chance of not getting a renewal to our licence or will we roll back that 3 per cent increase and go into licence negotiations?*'

Smartly, CUC recognised that the government had them at this point and they valued the negotiations. So, for the first time in history, they rolled back the 3 per cent increase. The people of Cayman were happy and we are going forward in negotiations.

Now, there was a utility advisory committee set up (of which I was the chairman, the Second Elected Member from West Bay was the deputy chairman along with other members). Along came the Elections with all sorts of rumours as to who is supporting who and what is going to happen. During the campaign I remembered stating that if the PPM Administration won the election we would get increases from CUC.

The Election passed, and I called the first meeting of the committee of which I was the chairman and I got notice from the Minister with responsibility for CUC asking us not to have a meeting until further notice. In my statements to the public through the press, I made it clear that there was a new government and I respected that, and if it was such that my involvement in the committee hampered the negotiations in the best interest of the people of Cayman, that I would be willing to resign. I did not hear anything about policy or any questions asked as to how we had gotten there. The next thing I heard was that the Minister with responsibility was meeting with CUC. I think it was the day after the swearing in of Cabinet—a priority, the first thing to happen.

Coming out of that meeting I heard that CUC had ordered more equipment to replace the existing equipment—I do not have time to explain, but what I can say is that in the negotiations for a non-exclusive



licence it would only make sense if there was a significant amount of generating capacity for a new company to come in. If a new company is coming in to buy land and set up facilities and to do something to compete or provide power to CUC, it requires a significant sector of the generating capacity to make it financially feasible.

So, it happened that at this time CUC had some twenty megawatts of generating power that needed to be replaced. The incremental increase in load was another 12 megawatts that needed to be replaced, so that the new amount that was needed was about 32 megawatts out of 100 megawatts that is currently provided. We felt, and the indication was that 32 megawatts were significant enough that it would allow interest to be expressed from other parties that may want and be able to bid against CUC to provide power.

We did it different from the telecommunications. We said that CUC was allowed to bid. If they won the bid, then we would still have only one provider but it would be done on a competitive basis. After this meeting we understood that CUC was allowed to replace that capacity without any bidding. We heard that CUC was going to increase the rates to recover from the hurricane damage.

At that time I tried to say that the only card that the government had was the licence negotiations. CUC wanted a new licence. I tried to say that we should negotiate for the new licence at the same time we were negotiating with any rates because that was the only card we had to play. The government said no, and even now in one of the policy addresses that I heard, the negotiations will start again. In the meantime we have allowed CUC to increase the rates and replace the equipment.

Now I hear the government say that it is going to be on a non-exclusive basis. If there is nothing significant to bid for then nobody else is going to bid, and CUC will continue to be the only provider and we will continue with the high rates that we currently have.

That Utility Advisory Board (of which, as far as I know, I am still the chairman) . . . I heard that the Minister of Infrastructure got up in his meeting and said, *"Don't worry about him. Anybody that doesn't believe in our policies can't stay on our boards. So he will soon be gone."* I do not understand because that is the same Minister that the Second Elected Member for West Bay (who is on the committee and also on the Water Authority Board) . . . the Second Elected Member for Cayman Brac and Little Cayman is on the Cayman Airways Board. I heard that it is the policy of the government to say that Elected Members cannot be on the boards—something as important as the Utility Advisory Board. I was going to be removed simply because I had spoken about it and because my policy was different from the PPM's policies when it came to CUC.

Madam Speaker, I do not know how the decisions have been made. Since that time I believe a new Minister has taken responsibility for CUC. I have not been notified and I am still waiting to know if I am to resign. Obviously the Minister has the power to remove us as members but nothing has happened. It is very important.

I remember hearing all kinds of stories saying that a supporter of the UDP had bought land because they were expecting to do it. That is like saying that CUC supported the PPM during the election. Maybe they were supporters. Maybe if competition comes some supporter of the UDP, or some supporter of the PPM, might get a chance to form a company. There is nothing in the law to say that a good Caymanian should not have the right to be in competition with CUC, Cable & Wireless, or anybody.

One of the things that the Minister might want to consider is that under my committee we looked at and encouraged the possibility of providing the facility in another location so that all of our eggs would not be in one basket. We would not encourage another generating facility in the same low-lying area in the North Sound.

We looked at the possibility of encouraging it in another portion of the district, catching on to the high voltage wire and back-feeding from a different location, so in the event of a catastrophic storm—like Hurricane Ivan that caused damage to CUC—all of our generating capacity would not be in one area. While that piece of land was talked about . . . and the one good thing is that real estate in Cayman is a good investment. Whoever bought the piece of land, I am sure can sell the piece of land for more than what they bought it for.

The question still remains: What is the government . . . to get up here and talk about we are going to have new licence discussions with a view to having a non-exclusive licence, but you make it such that nobody can be interested because there is not enough capacity. The incremental growth is around four to five megawatts per year. The Ritz and Caymana Bay and a few things make for increase, but, normally, there are four to five megawatts per year. That does not make it feasible for anybody to come in and make the significant investment necessary to provide competition in generation. The Government and CUC know that. By eliminating the possibility of a significant section of capacity to be bid on, they basically eliminated competition and ensured that CUC will continue to make the kind of profits and returns they have been making for years.

Now, is that because of some support? I really do not know. What I do know is that it appears to be a bad word when you get up here or anywhere and talk about CUC. *'Don't touch CUC, because if you say anything about them I will remove you from the board.'* That mentality . . . we talked about transparency and inclusiveness. It all goes out the door.

Why is that? It was a "Government that you could trust." Trust to give you higher electricity rates!

I know that after I sit down, while they were willing for the House to close—no one wanted to talk—I am sure that now people will have plenty to say. Madam Speaker, actions speak louder than words. Whatever is said will not have an effect on the good people of Cayman. Whatever is said will not have an effect until when they go to collect their electricity bill at the end of the month there is a reduction. That was what was achieved under the leadership of the United Democratic Party.

When I hear the bragging about this manifesto and a Government that you can trust and the promises . . . I live in Cayman, and as a Caymanian I want them to achieve some of those goals—some of those things that will make Cayman a better place. What I have seen so far in the first six months does not indicate that I can trust it to be a better place.

Madam Speaker, I hope that negotiations with CUC can be carried on in the same fashion as under the previous administration with the overall interest of the Caymanian people. I do not blame CUC I think their directors are doing what they were sent there to do. Their reasoning is to get the best return for their investment. They are not doing anything wrong and I do not blame them. I blame our people that elected our representatives to represent them. And this excuse that it was signed by another government so we cannot do anything about it . . . they cannot hide behind that anymore because the extension or the new contract for CUC is more important to the 3 per cent increase.

CUC is a publicly traded company. Six years left on a licence is a short time. They are not going to do anything to hurt the renewal of that licence. But, if they can increase the rates and all the government is going to do is go to the people and say, "*we cannot do anything about it. We would like to help you, but we cannot do anything about it*" and they know it is not going to have any negative effect . . . now do not tell me, if the government is looking out for the people, why CUC increasing the rates would not have a negative effect. Maybe someone else can tell me.

They say that CUC only has six years left on its licence, but they are spending some \$12 million to \$20 million on new generating equipment. If you are a company and you only have six years left, if there is any question that you are going to get a renewal, are you going to spend \$20 million on new equipment?

The argument is that they have a responsibility. They are fulfilling that responsibility right now by leasing equipment. They could lease the equipment until they knew that they were going to get a new licence or a new extension. It is my belief that the reason why they invested that money is because they have already been told that they are going to get the new licence.

**The Speaker:** Honourable Member your two hours are up. Could you wind down your debate please?

**Mr. Cline A. Glidden, Jr:** Thank you, Madam Speaker.

I thank you for your indulgence in allowing my debate. I look forward to the continuation of this debate, and I look forward to being able to support this Budget—the first Budget of the PPM administration. I look forward to all things good for the beautiful Cayman Islands.

Thank you, Madam Speaker.

**The Speaker:** Proceedings will be suspended until 2.30 pm.

**Proceedings suspended at 1.21 pm**

**Proceedings resumed at 2.34 pm**

**The Speaker:** Please be seated.

Proceedings are resumed. Continuation on the debate of the Budget Address and the Throne Speech. Does any other Member wish to speak? Does any other Member wish to speak?

The Honourable Minister for Tourism.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

It is appropriate for me to begin my debate on the Throne Speech and Budget Address by paying tribute to His Excellency the Governor, Bruce Dinwiddie, on the eve of his retirement from diplomatic service and from his tenure as Governor of the Cayman Islands. He has certainly had a difficult tenure. He had to deal with the aftermath of Hurricane Ivan and he had challenges for the majority of his term having to interact with a divided UDP administration.

Madam Speaker, in his Throne Speech the Governor informed this honourable House that this would be the last occasion that a Governor of the Cayman Islands would address the House in official governor's uniform. I believe that this decision is a correct one and is in line with the practice in the majority of the Overseas Territories in the Caribbean.

The Cayman Islands is a modern and sophisticated international financial centre and I believe that the governor's uniform represents the Colonial era of the past. This image, in my respectful opinion, is inconsistent with a mature and progressive country such as the Cayman Islands.

Madam Speaker, the issue of recovery was dealt with by His Excellency the Governor in his Throne Speech, by the Financial Secretary in his Budget Address, and extensively by the Leader of Government Business. This PPM administration is determined to complete the recovery of the Cayman Islands following the passage of Hurricane Ivan last year. This recovery must continue post haste.

When we examine the issue of private dwellings, there are very few things more important to a person in their life than to have and own their home. There are continuing efforts at the district level to deal with the recovery of the country and there is also established the Cayman Islands National Recovery Fund.

The government will continue to focus, not just on the recovery in the districts and on the district programmes, but also on ensuring that the Cayman Islands National Recovery Fund is not too heavily administratively and that the needs of the population are catered to on a timely basis. There is a need for the office to be more responsive and the government is going to ensure that happens as it is in the interest of our people.

Another demonstration of our commitment to the recovery efforts is the \$36.5 million in funding allocated in the Budget. This represents 8.5 per cent of the projected revenue for the 2005/2006 financial year. Madam Speaker, in dealing with the recovery and, in particular, the rebuilding of homes, the government recognises that the cost of owning a home in the Cayman Islands is very high. That cost did not get high overnight, it has been happening for a number of years. I believe the fact that we had a major hurricane last year and the consequential increases in the cost of building materials has not helped that. It is also not helped by the high interest rates on mortgages and the high cost of insurance for houses.

Speakers who have gone before me have mentioned this in some detail, but the issue of the high cost of insurance is an important one. I heard the Third Elected Member for West Bay speak about this in his contribution earlier today. He insinuated that the increase has resulted since the PPM administration has been in office. I am sure that the Third Elected Member for West Bay understands clearly that that is not the case, and that the cost of insurance premiums skyrocketed immediately following the hurricane and before the General Election.

Suffice it to say that we cannot allow the cost of securing a mortgage or of securing an insurance premium to put the cost of owning a home outside the reach of the average Caymanian. That simply must not be allowed to happen. We have to look for creative ways to negotiate and communicate with insurance companies, we have to do the same with commercial banks, and I believe that in negotiating with commercial banks with respect to mortgages we should never lose sight of the fact that the Cayman Islands Development Bank is a tool that we can use in those negotiations.

I believe that if all else fails, the remit of the Cayman Islands Development Bank could be extended so that those Caymanians who cannot afford to access mortgages through the traditional means or through the existing commercial banks would have another option. Clearly, a policy would need to be

very carefully thought out and we would have to look very carefully at how those mortgages and loans are secured.

Madam Speaker, in the various presentations, the Throne Speech, the Budget Address and the address by the Leader of Government Business, mentioned was the creation of the emergency management agency. Again, this is an agency that would cater not only to the preparedness issue for natural and manmade disasters, but would look very carefully at and develop plans for the recovery of the country in the event of a disaster.

Madam Speaker, we were recently involved in hurricane preparation when Hurricane Wilma passed to the southwest of Grand Cayman. We had to go through the motions once again of being prepared as a country for what could have been another catastrophic hurricane.

We must again thank God that we were spared a direct hit from Hurricane Wilma, but we must also continue to pray and offer what assistance we can to those countries that were affected, such as Cozumel and Cancun, Mexico, and the southern part of Florida. Although we escaped a direct hit, we sustained damage from Hurricane Wilma. And even as I speak, weather from that hurricane continues to affect the west coast of Grand Cayman including the George Town Harbour.

Immediately after the hurricane passed Grand Cayman, and when it was safe for us to come out of our homes, my colleagues and I went into the western part of Bodden Town, in the area of Savannah and Newlands, to look at the situation because we understand what happens in the area of Savannah known as the Gully, when we have severe weather systems. I know you and other Members of this House know of the flooding which occurred as a result of water coming in through the Gully in Savannah.

As a Government, we have determined that something must be done about this situation. I remember when I was a civil servant in central government in 1997. Funds were budgeted during that financial year to address the problem with the Gully and to carry out a study. As I stand here today I am not sure what happened as a result of those budgeted funds. What I do know is that the Gully still presents a major problem for the residents of that area. I want to assure them as one of their representatives that the Government is going to do something about the issue. We have had preliminary discussions with the Minister who has responsibility for infrastructure, but we also understand that we cannot proceed with a knee-jerk reaction to this problem. We understand that depending on what we do it could have adverse and environmental implications for other areas of the district. We have to make sure that in our determination to fix the problem that we do not create a problem somewhere else.

I give the residents of Savannah and Newlands my commitment that we are not going to study this matter to death, but we are certainly going to examine it properly, develop a plan of action and execute that as quickly as we possibly can.

There have been all sorts of suggestions, Madam Speaker—from a seawall (which most people do not think would work), to a culvert under the road in Savannah, cleaning out the Gully, and creating a catchment towards the Duck Pond area. There are all sorts of suggestions coming forward, but we need to make sure that we have a professional opinion and strategy in place when we decide to go down the road of putting the remedy in place.

Madam Speaker, moving on to the issue of law and order: I want to say that a great deal of this was covered during our debate on the crime bills and so, while I will speak to the issue, I do not want to go into too much detail and rehash the entire issue again.

The country and the Opposition know that during our political campaign we spoke extensively about this issue. We spoke and wrote about the issue in our manifesto as well. We said very clearly that we were going to address the issue of increasing violent crimes in this country decisively, aggressively and strategically.

Madam Speaker, I made a statement during my debate on the crime bills which I think bears repeating: We know that the primary ingredients in the crime problem are illegal drugs and illegal weapons. We also know that we do not produce weapons or drugs in the Cayman Islands, perhaps with the exception of the odd ganja plant here or there. Clearly, these things are being imported from elsewhere. Once we recognise and admit that fact we will all understand that the primary fight against this problem must not be fought inside the country because it cannot be won there. The primary fight must be fought at our borders. When you hear the Third Official Member, in his Budget Address, speaking about additional funding for the police during this final year—some \$4.75 million in additional police outputs and an additional \$3.9 million for new police equipment—you know that the PPM Government is beginning to deliver on their promise.

Madam Speaker, an integral component of this strategy against crime and against stopping the importation of drugs and weapons is the establishment of a proper coast guard. We are determined to do this. We have provided the necessary funding over the course of this political term to achieve that goal. It must be done on a phased basis. As you will appreciate it does take time to acquire the equipment and to recruit and train the staff that will be necessary for the manning of these vessels.

The Budget also includes \$150,000 in additional funding for the Immigration Department to deal with additional services and enforcement by Immigration to complement the efforts of the Royal Cayman

Islands Police and the other law enforcement agencies.

There is one matter that I did not speak about during the debate on the crime bills, and that is the issue of the previous administration allowing several thousand undocumented workers into the country in the immediate aftermath of Hurricane Ivan.

I am not going to stand here and beat up the previous administration over that issue, but I think it is important that the Leader and Members of the current Opposition—who were on the government side at that time—acknowledge the error that was made during that time. If we do not learn from our mistakes we are bound to repeat them, and if any of those Members on the opposite side of the House should ever find themselves in power again they ought to acknowledge the mistakes they made in the past so that they are not repeated.

Madam Speaker, I can tell you that as a Government we continue to struggle with the issue of trying to sort out some of those undocumented workers—persons who were brought into the country without police records and without the necessary documentation because the government wanted to proceed with the recovery efforts immediately. I understand that. But I believe that the issue at the time was that the UDP administration—which was in charge—did not have anyone in their Cabinet or on their Backbench who understood crisis management. Rather than managing the crisis, the crisis managed the government.

Madam Speaker, we heard immediately in the months following the hurricane, all sorts of blame being laid at the feet of the Governor and the fact that the Governor was operating under his emergency powers. We may say what we want about that situation, but I know from being in government long enough that even in a situation where you have the emergency powers being evoked that the Governor is not going to make major decisions without consulting his Cabinet. That, if nothing else, is a well established convention and the Leader of the Opposition is well aware of that. So for the government at the time to have placed the blame [on the Governor] for whatever went wrong or whatever was perceived to have gone wrong is, in my respectful view, grossly unfair.

#### Point of Order

**Hon. W. McKeever Bush:** Madam Speaker, on a point of order.

**The Speaker:** May I hear your point of order?

**Hon. W. McKeever Bush:** Madam Speaker, the Minister is saying that we knew of something wrong the Governor was doing, or that we were blaming the Governor.

What is he saying? Is he saying that I knew of something wrong and did nothing about it?

**The Speaker:** Honourable Minister for Tourism, this is not the normal procedure, but I will ask that you repeat what you just said. The normal procedure should be a ruling on a point of order, end of the story. But to make it very clear, would you repeat what you just said?

**Hon. Charles E. Clifford:** Madam Speaker, what I said was that the previous administration blamed the Governor at the time—because he was operating under his emergency powers—for whatever went wrong or whatever was perceived to have gone wrong. As you would expect during a time like that, in the immediate aftermath of a hurricane, there were many things for which the Government at the time was being criticised because people were frustrated. So, in general terms, the excuse that the previous administration used was that the Governor was in charge and they had nothing to do with it.

I will go on with my debate, with your permission, if that has clarified the situation.

**Hon. W. McKeeva Bush:** That didn't clarify it.

**The Speaker:** Thank you, Honourable Minister. I understand quite clearly what you have said.

Honourable Leader of the Opposition, he has said that the previous administration, because we were under the emergency powers of His Excellency, that the Government at that time was saying that the Governor was running the country and that more or less their hands were tied and they were blaming the Governor for what went on.

**Hon. W. McKeeva Bush:** For those couple of weeks.

**The Speaker:** Please continue Honourable Minister of Tourism.

**Hon. W. McKeeva Bush:** The point of order is, what is he blaming the Governor for? What is he talking about?

**The Speaker:** Honourable Leader of the Opposition, if you have another point of order please raise it.

**Hon. W. McKeeva Bush:** No, Ma'am. Thank you kindly.

**The Speaker:** Honourable Minister of Tourism please continue with your debate.

**Hon. W. McKeeva Bush:** I will see how much he goes into.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Continuing with my debate on the issue of law and order, or crime and improving policing, I lis-

tened to the debate of the Second Elected Member for West Bay, and in talking about this issue the Second Elected Member for West Bay was extremely critical of the Royal Cayman Islands Police and their policing methods.

Madam Speaker, I want to suggest to the Second Elected Member for West Bay, and to all Members of this honourable House, that now is not the time for Members of this honourable House to be at odds with the Royal Cayman Islands Police. Now is the time for us to join hands with the Royal Cayman Islands Police to show and give them our support so that we are not sending mixed messages to the public. If we continue to ridicule the Royal Cayman Islands Police and to talk down to them, then how should we expect the country to have respect for them? We must join hands and support the measures that are being put in place.

I was surprised to hear the Second Elected Member for West Bay criticising the Royal Cayman Islands Police. The truth of the matter is that the policing standards have not been to the level that they should have been to simply because there were insufficient resources and funding for the Royal Cayman Islands Police over the past several years.

Madam Speaker, there is no point of us standing up in this honourable House, before the press, or anywhere else in the country, and throwing our hands in the air saying that the police are the responsibility of the Governor. While that is true constitutionally the fact of the matter is, it is the elected government's responsibility to provide the funding and resources for the Royal Cayman Islands Police to do their job. One does not work without the other.

Yes, the Governor has the responsibility, but there is very little that can be done in terms of improving policing and reducing crime without the elected government providing the funding. That is the bottom line.

**Hon. W. McKeeva Bush:** How do we get the funding?

**Hon. Charles E. Clifford:** Madam Speaker, I am certainly not here to have a cross-debate with the Leader of the Opposition across the floor so I will proceed with my debate.

**Hon. W. McKeeva Bush:** You could deal with that in Finance Committee because—

**Hon. Charles E. Clifford:** I move on to the subject of education.

The Minister of Education has already spoken extensively on his Education Motion. He will no doubt deal with the subject of education during his debate on the Throne Speech and the Budget Address. There is no need for me to go into great detail on this subject.

However, I want to commend the Minister of Education, and his Permanent Secretary, as well as all staff and education stakeholders who participated in the recently held Education Conference and who were responsible for the production of *The National Censuses on Education, a Blueprint for the future of Education in the Cayman Islands*.

Again the People's Progressive Movement Government made it very clear during our campaign and in our political manifesto that we were going to give education top priority; education was certainly going to be one of the subjects at the top of the list. I think this Budget currently being debated provides evidence of the fact that the People's Progressive Movement is once again delivering on its promises to provide the necessary infrastructure and programmes for our educational needs.

The provision of technical and vocational facilities and programmes is extremely urgent and it cannot be ignored any longer.

We understand what the failures of the previous Minister of Education have caused for us. The Third Elected Member for George Town spoke extensively about the subject of education and she touched on an issue that is important, and one that I have spoken about before. That is the issue of a number of young boys falling by the wayside. It is a cause for major concern and our education policies must be developed so that they do not ignore the importance of our girls who are doing very well. We must ensure that they continue to do so. But we must make sure that our policies cater to the boys in the country. We have lost a number of them already. I believe that as a Government and as a country we must reach out to those who have left school without the proper education.

We talk about technical and vocational. It is not only for the children in high school and in the senior years of the primary schools; it is not only for our teenagers. We have adults, particularly a large number of young adults in this country who require and who could benefit from technical and vocational training programmes. We must not forget about them.

This issue is not unconnected to our strategies on reducing crime and improving policing because we understand that our strategies with respect to law enforcement must be integrated within our overall social agenda including our educational agenda.

Madam Speaker, moving on to the subject of Tourism, I am pleased to be able to stand before this honourable House and give an indication as to where we are with our hotel and condominium room stock.

In the hotel category we are currently at 70 per cent or 1,752 rooms. We will be at 95 per cent, or 2,375 rooms by December of this year.

The condominium and villas sector is currently at 54 per cent and is expected to go to 65 per cent by December this year, and increased by a further 11 per cent by January 2006. This will result in a

total of 1,700 condominium apartment bedrooms available out of the pre-Ivan count of 2,245.

The Hotel Licensing Board is also continuing its usual high standard for inspecting and passing tourism accommodations, especially for the properties on Grand Cayman that were affected by Hurricane Ivan. We are not simply bringing rooms on line for the sake of numbers; we are making sure that those rooms approved as accommodations for our tourists are up to the required standards before they are given a licence.

Madam Speaker, the Ritz Carlton will open in December 2005. The Third Elected Member for West Bay spoke on this issue quite extensively. I want to confirm for him (in case he has any doubt) that this Government is in support of the opening of the Ritz Carlton. We understand the importance of the Ritz Carlton to the tourism product. I know that the Member and other Members of this House will be aware that as Minister of Tourism I have had a number of visits since being elected to office to monitor the progress and facilitate the opening of that property as scheduled in December.

I am also happy that the Third Elected Member for West Bay cleared up the issue with respect to the Ritz Carlton when he mentioned in the early part of his debate that I had supported the concessions with respect to the Ritz Carlton, because, Madam Speaker, that is not the case. The Ritz Carlton was well on its way towards completion when those concessions were granted by the previous administration.

I do not buy the argument that those concessions were necessary in order for the Ritz Carlton to open in Grand Cayman. Having made the progress that it did with respect to the construction, nothing was going to stop that property from opening in Grand Cayman. I did not make such a statement and I am grateful to the Third Elected Member for West Bay for correcting that.

He went on to speak about my comments with respect to the Mandarin Oriental, which is proposed to develop their property on the Queen's Highway in East End, and that I had said that concessions may be in order for that property. In case the Third Elected Member for West Bay is not aware of the Hotels Aid Law, the law was developed many years ago when it was recognised that there was too much development occurring on the Seven Mile Beach and there was a need to provide incentives for tourism development in the eastern districts.

The law created statutory concessions for any developer who proposed to develop in the eastern districts. So it is not so much a question of this administration agreeing to concessions for the Mandarin Oriental. How they are planning to develop the property—whether it is going to be a hotel, or condominiums, or whether it is going to be a strata situation—is going to determine whether or not that particular law applies to the situation. Clearly, the intent of that law was to encourage development in the

eastern districts. When we talk about the Mandarin requesting concessions, they are doing that against the backdrop of that law.

Moving to marketing and promotions within the tourism industry, I am pleased to advise that the Cayman Free Falling promotion was launched recently, which is a cooperative of the Cayman Islands Tourism Association and Cayman Airways for the September to November period. So far, the programme has been producing very good returns for the investment.

I am also pleased that we are in the fourth week of a television advertisement programme in the United States on national cable and in seven US local markets, namely, Miami, Ft. Lauderdale, Atlanta, Philadelphia, New York, Boston, Chicago and Houston. Cayman Airways is featured in four of those seven markets where they have gateways.

The Department of Tourism is currently working with our private sector to develop our 2006 marketing and advertising program. Madam Speaker, I was scheduled to be at the Caribbean Tourism Conference this week, but because of the Budget Debate I had to postpone the trip. I realised that given the projected path of Hurricane Wilma it would be unlikely for me to return on Tuesday, so I decided not to proceed with that. But it was my intention to host a press briefing at that conference to update the international media as to where we are with our tourism product and programmes.

It would have been an excellent opportunity to say to them that the country did not receive any substantial damage from Hurricane Wilma. That opportunity will present itself in the not-too-distant future. At that time I will update the international media on the situation.

The Department of Tourism continues to deliver a number of education and training programmes to our young people in the education system and to adults who are already in the tourism industry. Our strategy is to encourage increased Caymanian participation in the tourism industry and to raise service levels. In that regard, we are starting work on an apprenticeship programme which we will be running in conjunction with the University College of the Cayman Islands and our private sector. They already have programmes in place and we are going to be working with the University College to strengthen those programmes and to develop programmes where our people can do the theory either in the morning or the afternoon and then be placed at private sector properties for the balance of the day to receive the practical side of their training. The private sector is very interested in this programme.

The consultant that we hired to study the issue of whether or not we should develop a hospitality training centre for the country advocated against a hospitality training centre and very forcefully recommended the apprenticeship programme. Hence, the

reason we are going down that road. We have the commitment of the private sector and we are now working out the details of how best this programme can work. We expect to announce more details with respect to that in the near future.

Madam Speaker, two weeks ago, Saturday, I attended the interschool debate to select the Junior Minister of Tourism. The subject of the debate was a statement which said that stay-over tourism is always negatively affected by cruise tourism. Two teams were in the finals: one was from the John Gray High School, and the other from Cayman Brac High School. I want to commend the students who participated in the debate because I was very impressed with the level of research that the students carried out, and was very impressed with the way they presented their arguments.

We all know that when you are involved in a debate it is always more difficult for you when you find yourself on the wrong side of the argument. But I have to tell you, Madam Speaker, that it was extremely difficult for the judges. They spoke to me after the competition and said that it was very difficult for them to judge it because of the amount of research that had been done and the level of the debate. Ultimately, John Gray High School won the debate; but I want to commend the Cayman Brac High School for their commitment to that debate and for the excellent showing that was made on that day.

The Junior Minister of Tourism is Miss Thea Bush from John Gray High School. I want to also congratulate Thea on her selection as Junior Minister. As I said to her that day in front of the audience, she has the full support and commitment of the Ministry and Department of Tourism over the course of the next year while she is Junior Minister of Tourism. As I speak, I believe that Thea and the *Conde Nast* essay winner are currently in St. Thomas for the Caribbean Tourism Conference to participate in the Junior Minister's Forum.

Madam Speaker, moving on to cruise tourism: I was very pleased to attend the 12<sup>th</sup> Annual Florida Caribbean Cruise Association (FCCA) Conference recently held in St. Kitts. As most people will know by now, the Cayman Islands will be the host country for next year's conference—the 13<sup>th</sup> Annual FCCA Conference—and we have been attending these conferences for a number of years in preparation of hosting the event in 2006. A lot of lessons were learned during the conference in St. Kitts. I am very grateful for the large delegation which attended from our private sector. I want to thank them for supporting our efforts both at the conference and during the efforts here on the ground with respect to cruise tourism.

Madam Speaker, I did an interview with Radio Cayman yesterday because they called me about the effects of Hurricane Wilma on Cancun and Cozumel. I advised them that I would be speaking with the FCCA president of the Florida Caribbean Cruise

Association this morning. That was the reason I was late getting here, and I apologise for that.

I was on the phone with Miss Michelle Page, president of the Florida Caribbean Cruise Association. Madam Speaker, I was surprised that I reached her on the phone because they were experiencing some of the worst of the storm at that point. She told me that they were having 120 mile-per-hour winds at that stage and she expressed the view that the whole issue had been somewhat downplayed and was much more severe than they had expected.

Madam Speaker, the president was not only concerned about ports of call in the Caribbean, but I know from hearing her voice and listening to what she had to say that they are also concerned about their home ports in Florida. I gave her the assurance that the Cayman Islands stood ready to assist them in whatever way we could as we would expect colleagues in other Caribbean countries to do the same.

We recognise that we have to manage very carefully the number of cruise visitors, and we can only accommodate so many on a particular day. We also understand that both Cozumel and Cancun will be out of commission for the foreseeable future, and that they would have to rework their itineraries. The FCCA president thanked me for calling her and for offering assistance, and indicated that that would be something they would have to be looking at once the storm passed Florida.

Madam Speaker, during our participation in St. Kitts there were also opportunities for the National Trust and Cayman Brac and Little Cayman Tourism Association and members, as well as the Tourism Attractions Board, to take advantage of the many opportunities that presented themselves during the conference and to prepare a network for next year's conference in the Cayman Islands.

Madam Speaker, we hope to have our facilities at the George Town dock back into operation by Friday of this week, but the weather is unpredictable. Even as that hurricane has passed the state of Florida and is now into the Atlantic we are still experiencing adverse conditions in the George Town Harbour. As I said in my statement on Friday, we have to wait for the weather to clear before we commence the necessary repair work to the George Town Port.

With respect to dive tourism, two and a half weeks ago I attended the DEMA trade show in Las Vegas. There were 12,000 delegates at that conference and trade show. I was very pleased to see the collaborative efforts of the public and private sectors at that trade show. I walked the entire floor of that conference centre, and I can tell you without fear of contradiction that the Cayman Islands display was certainly the most sophisticated and better organised of all the countries and groups.

I am very appreciative to our private sector and the Department of Tourism, particularly our marketing manager, Mr. Shamari Scott, who coordinated all the activities for DEMA. It was a very successful

trade show and a number of vacations were booked and confirmed at that trade show.

Madam Speaker, a few weeks ago I was also pleased to host the annual induction ceremony for the International Scuba Diving Hall of Fame. In addition to the international inductees and honourees, Mr. Peter Milburn and Mr. Tom Hubble were selected as the local honourees. We know that there are many other people in the Cayman Islands who deserve such recognition. It is an annual event and I know that all of those deserving of such recognition will certainly receive it in due course.

Moving on to deal with airlines and airlift, I want to speak about Cayman Airways first of all. When I entered office I advised this honourable House that while Cayman Airways continues to be a key tool for the economic development and welfare of these Islands, the spiralling financial losses realised each year must be addressed. If things do not change for the better, the future of our national flag carrier will be in peril. Consequently, when I appointed a new board of directors in July of this year, I gave the management and staff of Cayman Airways a mandate to pursue and realise all smart efficiencies that would decrease costs and maximise productivity while continuing to ensure the highest standards of safety and customer satisfaction.

The new Board of Directors and staff of the airline have embraced this challenge and already there are positive signs of improvement. In July the Ministry of Tourism and Board of Directors met with Cayman Airways staff to discuss the way forward. Also, the staff have been invited to nominate from their peers staff liaisons who can provide a channel for regular feedback to the Board on the future of the airline. From top to bottom everyone is being encouraged to participate in the reform that is necessary to ensure the future viability of the national flag carrier.

The staff meeting was followed by a strategic planning session where the Board, management and industry consultants deliberated for several days on the challenges facing the airline. One month later these findings were formally presented as an action plan entitled "Path to Sustainability."

Madam Speaker, the action plan includes the refined business model with focuses on simplicity, efficiency measurements, and focused marketing. Extensive key action items for implementation have been developed for the areas of general management, staff productivity, marketing, fares and fees, increased income streams, and the expansion of cargo. I have also mentioned previously in this honourable House that various efficiency audits have been identified and are in the process of being engaged, particularly in the areas of information technology, marketing, operations, and human resources.

The Board and management are carefully examining both sides of the equation as they monitor costs and pursue revenue. Some of these measures will likely begin to bear fruit by year end as revenue



sources, such as cargo, are more aggressively pursued.

I am cautiously optimistic about the future, but I fully realise that over night the entire situation can change by both known and unknown threats. In the area of known threats are matters such as high fuel costs—which continue to exceed record levels—increased competition from both legacy and low cost carriers; uncertainty with the air service agreements which govern our flying rights to international gateways; threats of terrorism and war; and economic uncertainty in our key source markets for tourism and travel, the United States, particularly in the aftermath of Hurricanes Katrina, Rita, and now Wilma. The list goes on and on. Still, as daunting these known threats are, there are also unknown threats which when manifested can certainly bring havoc to the travel industry. We cannot be complacent.

With all of these challenges, Cayman Airways also has distinct competitive strengths that include a thorough familiarity with the market, dedicated staff and loyal consumers. The airline continues to work closely with the local tourism industry. Key partnerships include being the lead airline in the Cayman Free Falling promotion. I am pleased to say that Cayman Airways has the best airline offer of all the participants in that program.

Cayman Airways is an airline sponsor for this year's Jazz Festival in December. Next year when the Cayman Islands host the annual FCCA Conference, Cayman Airways will also shine as the official airline/carrier for that event which is expected to attract about 1,000 delegates.

As we enter the winter season, Cayman Airways continues to improve its value to our local tourism industry by resuming service to strategic winter markets such as Chicago and Boston. I pause to point out that when you examine the schedules for Chicago and Boston for the coming winter season, you will notice some differences with respect to the arrival and departure timing, as well as the fact that there will be some flights that will not overnight in those gateways. This is all to ensure that we have better connectivity with incoming flights into those two key gateways. We expect that the adjustments we have made to our schedule will result in increased load factors on those routes.

Madam Speaker, the goal is to constantly improve the way that we do business at Cayman Airways. The future of our national carrier depends on embracing positive change. I believe that we are making significant strides in the right direction. I hope that, given sufficient time and opportunity, these improvements will begin to bear fruit and we will begin to see that it is not only in the general performance of the airline but also in terms of its bottom line. That must always be our goal.

In his Budget Address, the Third Official Member spoke extensively about the new accounting

treatment for Cayman Airways. So, there is no need for me to go into great detail about that issue or repeat it. Suffice it to say that the government recognises that the services offered by Cayman Airways are essential services. When you view it from that perspective, it is only right that the Government purchases those services (through the provision of outputs by Cayman Airways) to achieve that goal, and to ensure that the essential services which are provided by our national flag carrier continue.

Madam Speaker, in a statement a few weeks ago I announced the decision by Spirit Airlines to enter the Cayman Islands market. I explained in detail at that point the structure of Spirit Airlines, the fact that it is a low cost carrier, the number of employees it has, the number of gateways, the type of equipment that it is using and some other vital information. Again, I do not see the need to rehash that. I am very pleased to say that we were able to get an agreement from Spirit Airlines, once they expressed an interest to fly into the country, without waving landing and other operational fees despite their request.

I have said in this honourable House before that part of the value of having Cayman Airways is that we do not have to offer operational subsidies to foreign carriers. Because it benefits the destination as a whole, what we do offer is co-opt programmes and co-opt funding when new airlines come into the country. When they promote their route into the Cayman Islands, by extension they also promote the Cayman Islands and the product that we offer here. So there are a number of programmes running and the Leader of the Opposition will be familiar with this because it has happened in the past with other carriers. We do joint promotions with them (the Department of Tourism) in various gateways and markets to ensure that the destination has the maximum amount of exposure possible.

Madam Speaker, in his comments on the issue the Leader of the Opposition made a statement to the effect that the Minister (meaning me) could not convince him that it was necessary for Spirit to come out of Ft. Lauderdale. Madam Speaker, I know that the Leader of the Opposition is very familiar with airlines because he was at one time the Minister responsible for Cayman Airways. He understands the importance of hubs to airlines. Even low-cost carriers are beginning to operate from hubs. It so happens that Spirit Airlines' primary hub is Ft. Lauderdale, so the fact that they have selected Ft. Lauderdale as the gateway to come out of is totally understandable. That is where the majority of their flights fly into and make connections from. So, in terms of southern parts of the United States, the southeast region, clearly, the majority of their connections (based on their own data) are going to be made in Ft. Lauderdale. Hence, the reason they are coming out of that gateway.

The Leader of the Opposition also mentioned the effect it would have on Cayman Airways in that gateway, but, again, he did not tell the entire story about the Ft. Lauderdale gateway and Cayman Airways' presence there. The Ft. Lauderdale Airport gateway is currently being developed and they are trying to attract as many airlines as they can into that region. They have extensive plans to extend the airport and build new runways. When Cayman Airways decided to enter that market they offered as an incentive to Cayman Airways (as they did to all other airlines) one full year of entering that market without having to pay landing or parking fees.

Even though we recognised from the beginning that it was going to be a difficult gateway for us to develop, the fact that we did not have to pay landing and parking fees for the first year made it more sustainable for the first year. We also recognised that if we were not able to sufficiently build that market in the first year, when the fees came due the whole issue of profit/loss would look completely different in that gateway.

Madam Speaker, from my point of view, Cayman Airways' entry into the Ft. Lauderdale market was one that came with a number of questions. We need to recognise that the gateway of Ft. Lauderdale is ten minutes from Miami. It is my view that what Cayman Airways did at that point was to simply take the majority of passengers (which was local traffic at the time) and divide them between Ft. Lauderdale and Miami. Those passengers that would travel to Miami had a second option, and some would decide to go to Ft. Lauderdale instead. What that meant for the national flag carrier was that we were essentially carrying the same number of people between two different gateways. In other words we, as an airline, were bearing twice the cost of carrying the same number of people to one gateway, Miami.

As it has to do from time to time with all of its routes, Cayman Airways will have to examine them very carefully and decide whether or not they should continue; decide what the frequency should be at that route, then look at other opportunities that might exist in more lucrative routes.

I am happy that the Leader of the Opposition acknowledged that there was very little that we could do once Spirit Airlines fulfilled all the regulatory requirements. I say to this honourable House that if you follow the developments in the aviation industry, the low cost carriers (Spirit Airlines, Jet Blue, Southwest and some of the others) are really the only ones that are making any profit today. They are giving the legacy carriers a run for their money.

We know that United Airlines is in bankruptcy. US Airways was in and out of bankruptcy twice over the course of the past two years. Delta and Northwest filed for bankruptcy thirty minutes apart about three weeks ago. Those legacy carriers understand that, like any other business, when competition enters the market, if you have not been creative and innovative,

and if you are not going to subscribe to change, then people will find more creative ways of doing things and will eventually run you out of business. For us to sit here and think that Cayman Airways can run from competition would be a grave mistake. In fact, it remains to be seen what impact Spirit Airlines will have on Cayman Airways. Some people think it is going to be negative. Perhaps they are right. Some people think it will be positive, and we will see whether they are right. But the fact is that we cannot run from competition.

For many years many Members of this House and I have said that it is better for us to put someone in that empty seat for \$100 than to carry the seat empty. Madam Speaker, I think that of all the products sold in the world today that perhaps the airline seat has the shortest shelf life. Every time that airline takes off with an empty seat you will never have an opportunity to sell that seat again. One of the things that we have already witnessed from the announcement that Spirit will enter the Cayman Islands market is that Cayman Airways, American, Delta and all the others that currently service Grand Cayman have adjusted and matched the fares to compete with Spirit.

I do not think that is a bad thing. I believe that it is going to result in a higher load factor. All of a sudden more people will be travelling. Perhaps they are paying less for their tickets, so we are talking about volume. When you have increased volume it is very likely that on certain routes you will have increased profits. We will see what the impact will be, but Cayman Airways clearly understands that they need to be responsive to this. They have shown that they are prepared to do that. I think competition, coupled with efficiency audits, is going to make for a much more competitive, efficient, and a better run Cayman Airways.

Madam Speaker, moving to events in tourism, I am pleased to say that from November 9-11 we will be hosting the annual Tourism Conference. The Conference will be half-day sessions which will allow as many people as possible to attend without having to give up a full day from work.

I am also pleased to say (and I know that we have made the announcement publicly already) that the 2005 Jazz Fest will be held from 1-3 December.

Madam Speaker, I took the decision to proceed with the Jazz Fest for several reasons. I believe that a jazz festival created as a uniquely Caymanian product so that it is not just another jazz fest (because there is one every month in a Caribbean island) can offer great returns for the country. I want to caution that when it comes to the development of jazz festivals there are not immediate returns on your investment. How quickly you get a return on your investment depends on how creative you are with the event. I decided to proceed with it because it comes at a time when we are almost 100 per cent back with our room stock, and it presents an opportunity for us

to say to the world, *"We are truly back in business. Come and visit us."*

Madam Speaker, we will have not only international artists at the Jazz Fest, but a number of our local artists will be featured as well.

The Ministry and Department of Tourism also hosted the first tourism cruise conference in the Cayman Islands a few months ago. It was well attended. The feedback was certainly very worthwhile and a lot of productive ideas came out of that conference. I want to thank the private sector partners who assisted and participated in it with us, and also thank the Florida Caribbean Cruise Association for their involvement in it.

Madam Speaker, the Ministry has also announced its intention (in fact, it is laid out in our political manifesto) to transition the Department of Tourism to a Tourism Authority at some point during this political term. There is an important bill that, in my view, must be debated in this House and passed before we transition the Department to an Authority, and that is the Public Authorities Bill.

I also reviewed and approved a restructuring of the Department of Tourism which includes the creation of two new deputy directors—one responsible for marketing and the other for product development—the creation of a unit dedicated to tourism education training and awareness and a cruise industry officer.

Madam Speaker, the issue of tourism attractions is one that is near and dear to my heart. I have visited most of them since being appointed as the Minister of Tourism, and I have given a number of agencies a mandate to accelerate the process of restoring those attractions so that we can have additional product offerings for our visitors. I am also pleased to say that I recently awarded four new tourism scholarships. Some of them have already left for universities and colleges.

**The Speaker:** Honourable Minister, if I may interrupt you. Members have been invited to the Glass House to say farewell to His Excellency, so if this is a convenient time for us to have the evening suspension—  
Honourable Leader of the Opposition?

**Hon. W. McKeeva Bush:** Madam Speaker, I do not know how many want to go, but I feel that we should continue because we have a short time this week. I know that we are making plans to come back tomorrow. To cut off now and come back when? It has not been said—

**The Speaker:** Five thirty.

**Hon. W. McKeeva Bush:** I have not been notified, so I will not be going. But I certainly do not think that we should adjourn at this point. I think that the House could go on and those that have something to do—I

think that we have all seen the Governor and we have all said goodbye, and those that have something to do there could go, but I am only one person in that matter.

**The Speaker:** Honourable Leader of the Opposition I understand clearly your position. But I think most Members are interested in saying goodbye, maybe not personally, but maybe show their faces. So if it has to be a question put to the House, I am prepared to do that, or I will suspend the House until 5.30 pm.

**Hon. W. McKeeva Bush:** I would like the question put.

**Hon. V. Arden McLean:** Madam Speaker.

**The Speaker:** Honourable Minister of Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, I think out of courtesy we should go bid His Excellency farewell. Whether we like him or not is beside the point. While we were in the dining room earlier today the Leader of Government Business indicated that we would be asking you to suspend proceedings for an hour and a half and the Leader of the Opposition was right there.

I really do not see the need to have the question put here and adjourn the House until tomorrow, or Wednesday, because if we adjourn the House at this stage then we are going to have to get a new order paper to restart the House by 5.30 pm.

**The Speaker:** I am not going to have a back and fourth. The Speaker has the prerogative to suspend Parliament.

As the Speaker, proceedings will be suspended until 5.30 pm. Thank you.

**Proceedings suspended at 3.56 pm**

**Proceedings resumed at 6.02 pm**

**The Speaker:** Please be seated.

Proceedings are resumed. Could I have a motion for the suspension of Standing Order 10 (2) to allow the proceedings of this House to go beyond the hour of 4.30 pm?

Honourable Minister of Infrastructure.

**Suspension of Standing Order 10(2)**

**Hon. V. Arden McLean:** Madam Speaker, I move the suspension of Standing Order 10(2) to allow the House go on with its business after 4.30 pm.

**The Speaker:** The question is that Standing Order 10(2) be suspended. All those in favour please say Aye. Those against, No.

**Ayes.**

**The Speaker:** The Ayes have it—

**Hon. W. McKeeva Bush:** Can I enquire, Madam Speaker, as to how long we are going to sit this evening?

**The Speaker:** Honourable Leader of the Opposition if you would allow me to finish the question. Standing Order 10(2) has been duly suspended. It is my understanding that we are going on until 9 pm.

**Agreed: Standing Order 10(2) suspended in order to allow the business to continue beyond the hour of 4.30 pm.**

**The Speaker:** Honourable Leader of the Opposition, I have to finish the question I have on the floor, and then I can answer you. If you are voting no against—

**Hon. W. McKeeva Bush:** Madam Speaker, listen, can I address you on a point of procedure at this time? Listen, you know, I have a right in this House. Get the *Hansard*. You completed. You took the vote. I rose and I was simply asking when the House would adjourn, or how long we would sit tonight.

**The Speaker:** Exactly! And I told you, Honourable Leader of the Opposition, until I finished saying that the Standing Order had been suspended, I would answer you—which I did.

**Hon. W. McKeeva Bush:** Well, why didn't you do so when you were asking for the vote?

**The Speaker:** I cannot do it while asking for the vote.

**Hon. W. McKeeva Bush:** You asked for the vote.

**The Speaker:** Then you should have voted no.

I am not going to sit in this Chair and argue with anyone one-on-one.

Honourable Minister of Tourism, continuing his debate on the Budget Address and Throne Speech.

**Hon. W. McKeeva Bush:** You want a fight that is what you really want!

**The Speaker:** Well, if you want to fight—go right ahead.

**Hon. W. McKeeva Bush:** You will get it when it is appropriate for me. I can tell you that right now!

**The Speaker:** You can bring a motion at any time you want, Sir.

**Hon. W. McKeeva Bush:** I am sick of being insulted!

**Hon. Charles E. Clifford:** Thank you very much, Madam Speaker.

When we took the suspension I was dealing with the subject of tourism, and I had not quite finished on that subject.

The People's Progressive Movement Government has endorsed the National Tourism Management Policy both from our political platform and in our manifesto. We recognised that there would certainly be a need to update that policy following Hurricane Ivan. Some work has already been done on that. Work will be continued and the implementation of the nine policy objectives contained in that policy document will continue. Madam Speaker, we have a number of committees established to work on the implementation of that policy and they are being coordinated through the Department of Tourism.

The Port Authority facilities, which in many ways complements our tourism industry, and certainly provides a key component of the cruise tourism sector, is undergoing redevelopment. I have also recently publicly announced the establishment of berthing facilities, in Grand Cayman in particular. I am not at liberty to go into any details in that regard other than to say that negotiations are ongoing and the construction of berthing facilities in the Cayman Islands is something that I will be aggressively pursuing.

We are not sure of the extent of the damage in Mexico, but we know it is severe. Just prior to Hurricane Wilma, Grand Cayman was one of the few remaining ports in the western Caribbean that did not have berthing. From that point of view the destination was in danger of becoming uncompetitive with other destinations.

We know that the provision of berthing facilities in the country will allow our cruise ship passengers to spend more time on shore and, therefore, the average spend per cruise ship visitor (which is certainly not insignificant at this point) will be improved. Once we have berthing facilities they will have the opportunity to spend much more time on shore shopping and taking advantage of our attractions and other activities that you would expect cruise passengers to take advantage of.

Madam Speaker, the Royal Watler Cruise Terminal is expected to be completed towards the end of this year, in December. Although it is possible that some delay may be caused to that as a result of Hurricane Wilma, the initial indications are that it has not sustained any significant damage from that storm. But there was some saltwater intrusion into the terminal building.

I will come back to the Port Authority, but I need to speak first on the redevelopment of the Turtle Farm—the new development to be known as Boatswain's Beach. It is a project that was significantly underway when this administration took office, and it is a project we have decided to see through to completion.

The Leader of the Opposition, in his contribution to the debate, spoke about the Boatswain's Beach Project and the fact that the government has stopped the West Bay cruise dock from proceeding. He criticised the position because he said the West Bay cruise dock and the Boatswain's Beach facility were interrelated, that one complemented the other, and that the new facility at the Turtle Farm would not be feasible without the West Bay dock.

Madam Speaker, I can stand in this honourable House and say that at the time the decision was taken to redevelop the Turtle Farm and create the Boatswain's Beach property and attraction, I was a member of the Turtle Farm Board of Directors. I can say that the discussions [regarding] the projections, in terms of the numbers of passengers it would take to sustain that project, did not involve a West Bay cruise dock. The West Bay cruise dock was certainly not a necessity as far as the redevelopment of the Turtle Farm was concerned.

I have to say—and, I hasten to add, the Leader of the Opposition will recall—that I have always had concerns about the projections in terms of the numbers at the Turtle Farm. I hope that they hold true because it is going to be necessary for that project to be sustainable. Nevertheless, the government is prepared to work with the management of the Turtle Farm, Boatswain's Beach, with the cruise lines, and with the other stakeholders to make sure that the project receives the number of visitors that it requires.

Madam Speaker, in talking about the development of the port facilities the Leader of the Opposition also mentioned that he understood the need to redevelop and improve the facilities at the existing north and south terminals, and also at Spotts. He was struggling at that point to talk about the issue of funding for those two facilities, and he ended by saying that they understood that they would have to find the funding somewhere.

The Leader of the Opposition is well aware, as am I, that the plans to redevelop the north and south terminals, as well as the Spotts facility, were jettisoned in favour of the Royal Watler Cruise Terminal—

**Hon. W. McKeever Bush:** No!

**Hon. Charles E. Clifford:** —and the West Bay cruise dock.

#### Point of Order

**Hon. W. McKeever Bush:** Madam Speaker, on a point of order! The Member is—

**The Speaker:** Honourable Leader of the Opposition, may I hear your point of order?

**Hon. W. McKeever Bush:** The Member is misleading the House. As I stated, Madam Speaker, we could not . . . if I am allowed to. I don't know. I have to be very careful. Am I allowed to speak at this time?

**The Speaker:** Honourable Leader of the Opposition, if you were not, I would have stopped you.

**Hon. W. McKeever Bush:** I see. Thank you kindly.

Madam Speaker, as I said in the debate, what I said was (and that is a fact) that we had planned to do renovations, in other words, at both the present south terminal and the present north terminal. We could not do the main terminal (that is the present north terminal) until we had developed and completed the Royal Watler Terminal.

The point of order is that what you said is misleading the House.

*[Inaudible interjections]*

**Hon. W. McKeever Bush:** And I am not going . . . I have a right, I think I am allowed to clear up the matter.

*[Inaudible interjections]*

**Hon. W. McKeever Bush:** That is what I said, Madam Speaker, and that is a fact. We could not do one until we did the other. And we also knew that we would have had to find the money to do the present north terminal and the other terminals once the work was completed. That should be on record somewhere.

Thank you.

**The Speaker:** Honourable Minister if you are satisfied with that clarification we will continue; if not, we will get the *Hansard*.

Honourable Minister for Tourism.

**Hon. Charles E. Clifford:** Madam Speaker, I do not think it is necessary to get the *Hansard*. I do not want to waste the time of this honourable House. The fact of the matter is, all of the work that we intended to proceed with in respect of the north and south terminals was put on hold and the focus was on the Royal Watler Terminal and the West Bay facility.

Now, in his contribution the Leader of the Opposition spoke about the \$18 million that we were able to raise from the Florida Caribbean Cruise Association (FCCA). I was directly involved in the negotiations and the amount that was negotiated was \$26 million from the FCCA. As I recollect, the amount was divided between, I think \$17.5 for the Royal Watler Terminal, and \$8 million for the West Bay Cruise facility. So I want the Leader of the Opposition to tell me where in that \$26 million package he was going to find money to fix the north and south terminals and also do work at Spotts!

### Point of Order

**Hon. W. McKeeva Bush:** On a point of order, Madam Speaker.

**The Speaker:** Honourable Leader of the Opposition, may I hear your point of order?

**Hon. W. McKeeva Bush:** I have just said that the policy was that we would complete the Royal Watler Terminal, we would complete the West Bay Cruise facility, but we would have to find the money elsewhere to do the other renovations. And that is something that the Board knew! And we proceeded on that basis.

**The Speaker:** Honourable Minister of Tourism, please continue with your debate.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

What I can say is that this government will proceed with the renovations and upgrades to the north and south terminals, and also with the work that is urgently required at the Spotts facility.

The Spotts facility is really the only alternate port that we have in the country. The West Bay facility, being located on the west coast of the Island, would not be available for use in adverse weather conditions because it is on the same side of the Island as George Town. The only alternate port at this point is Spotts, which is urgently in need of work. In our view, it makes absolute sense for us to focus on Spotts, so that when there is inclement weather in the George Town harbour we do not have to have the cruise ships bypassing the country. We understand the economic impact that has on the country when we lose days during the northwester season to bad weather.

Mention was also made of the issue with taxi drivers not being allowed to pick up passengers along Harbour Drive. The Third Elected Member for West Bay dealt extensively with this issue. This issue is governed by regulations (I believe it is the Public Passenger Vehicle Regulations) brought into force, not by the UDP administration, but by the administration prior to that. The issues it has created for some operators (and the Third Elected Member for West Bay mentioned one scenario) has existed ever since the law was enacted.

The same issues came up while the UDP was in power, so I wonder why there was no move at that point to make the necessary amendments so that the issue could be addressed.

You see, Madam Speaker, the Opposition understands. The reason they are suggesting that we do so now is because they understand the complications and chaos that would create. Here we have a facility for the dispatch of taxis located away from the Port, so that we have a more organised pickup and

delivery system at the Port. We have had to put in place those regulations so that people are not allowed to pick up passengers along Harbour Drive.

If we decide to open that up again, Madam Speaker, it would defeat the whole purpose of having a taxi depot off Thomas Russell Way. Who would want to waste time waiting at the taxi depot for a call from the Port to come and pick up passengers when other people are allowed to just drive by and pick them up at will? It would create absolute chaos and would bring the public transport system into further disorganisation.

We all understand how urgent it is to try to reorganise and restructure the public transport system. As Minister of Tourism I understand very clearly that it is an important part of our tourism product—and I am determined to fix it.

The redevelopment of the Owen Roberts International Airport was mentioned by the Second and Third Elected Members for West Bay. I think they know from certain public announcements I have made that we are embarking on a redevelopment of the airport. I understand, too, how important that is. It is the first and last impression our visitors experience when they vacation in the Cayman Islands. The facility does not reflect the upscale destination that we market ourselves to be.

It needs to be done as quickly as possible, but there are complications. We need to be able to continue to use that terminal during the upgrades and rebuilding. It has to remain operational throughout the redevelopment. I am pleased to say that the Airport Authority has developed a plan to do just that. As soon as we have all of the details available, I will certainly make further public announcements. The Opposition can rest assured that the plans are proceeding.

Again, I am at a total loss as to why the previous Minister who had responsibility for the Airport Authority would not proceed with the execution of those plans. They had, in fact, been developed several years ago. I am not going to stand here and deny that. The current Leader of the Opposition initiated the process. I was involved in it at the time. Yes, there have been some adjustments to the plans since that, but the Board became increasingly frustrated with the previous Minister when he simply sat on the plans and would not even indicate to the Board whether or not he had reviewed them.

This Government, being a mere five months old, has announced that we are going to proceed as urgently as possible and we made that announcement about two months ago.

We also have the responsibility to develop airport facilities in Little Cayman. The situation that obtains there is unacceptable. It is not currently regulated and there are issues that we must address to ensure that those who continue to use Little Cayman for business or pleasure are able to fly into an airport

that is properly regulated and that the facilities are as safe as we can possibly make them.

Madam Speaker, in concluding the subject of tourism, I want to say that the combination of the opening of the Ritz Carlton in December, the entry of Spirit Airlines into the Cayman market, more creative marketing campaigns and better placement of advertisements will, in my view, result in the rebounding of our tourism industry within the next twelve months. We expect to see those improvements this winter season starting in December of this year.

I move on to the subject of environment and to say that this Government has also announced that we had advised the United Kingdom of our intention to sign on to the Kyoto Protocol, which is the protocol dealing with climate change. We are pleased as a Government to deliver on yet another campaign promise, one that is contained in our political manifesto.

Even though the Cayman Islands is certainly not a major contributor to global warming and climate change, we believe that as a small progressive Island in the Caribbean it is our responsibility to lead the way for other countries in the region to sign on to this protocol. It is going to take a global effort to deal with the situation.

We have seen, certainly in the last two years, that hurricanes are becoming more frequent and violent. While some people might be content to sit by and say that these changes are not going to be seen for another 100 or 150 years so we do not need to worry about it, we do have a responsibility for future generations to deal with this issue now. This Government takes its responsibility very seriously in that regard.

Madam Speaker, the Department of Environment is also involved in reef restoration projects with the Reef Ball Foundation, and those projects are progressing. We are beginning to see some very positive early results.

On the subject of investments, I want to briefly say that the new Executive Director, Mr. Dax Basdeo, has been doing an excellent job preparing an investor targeting strategy, and conducting workshops in Cayman Brac and Little Cayman. As far as this Government's announced intention to ensure that the eastern districts also realise some of the benefits of tourism, and cruise tourism as well, I will be requesting the Cayman Islands Development Bank do a series of seminars for the eastern districts to assist small businesses with the development of various types of tourism businesses. The Cayman Islands Development Bank is not only for inward investment but it is also for the development of small businesses.

On the subject of commerce, I continue to work closely with the Chamber of Commerce and intend to hold regular meetings with them going forward. I have had one very productive meeting so far, and I want to commend them on their 40<sup>th</sup> Anniver-

sary. I attended the celebrations dinner on Saturday evening at the Marriott. It was a very well-organised and well-attended event. I commend the President, Mr. Joey Hew, and the Chief Executive Officer, Mr. Will Peneau, for their organisation of that event.

Madam Speaker, I want to briefly touch on the coverage in the newspapers today from the Prime Minister's presentation at the Chamber of Commerce dinner on Saturday evening. I certainly do not like this Jamaica versus Cayman situation that is developing. I think that all of us have a responsibility—on this side of the House and certainly on the Opposition's side of the House, and the regular person on the street—to not add fuel to that fire.

We have always been close to Jamaica and have had close ties with them. Probably most of us have family members that have lived in Jamaica. We used to visit for vacations during the summer. We have worked, we have socialised, and we have enjoyed the company of many Jamaicans.

The same is true for Honduras. We all know that in the 1930's and 1940's (and maybe earlier than that) many Caymanian families settled in Honduras. To this day many of them still live there. We certainly recognise those ties with that country.

I just wanted to say that I think some of the comments about the possibility of visa requirements for Jamaicans were unfortunate. It was unfortunate that the comments were made, and it was equally unfortunate that they were reported in the fashion that they were in the local newspapers. Every country has a right to protect its national security through a number of issues, including its immigration policies. The Cayman Islands have that right as well.

In fairness to the Prime Minister, he did recognise that during his contribution on Saturday evening. I think it was unfortunate that he proceeded to insinuate that Jamaica may, in fact, do the same for residents of Cayman. That is not what it is all about. Perhaps if that issue had not been raised at all, the otherwise excellent presentation by the Prime Minister would have been given more weight than it was.

Madam Speaker, I am simply going to leave it at that and conclude on that issue by saying that if the Cayman Islands decide to go down that road introducing visas, it will certainly affect Jamaicans more than anyone else. But that is simply because in terms of foreign nationals we have more Jamaicans in the country than any other nationality. And there are more Jamaicans seeking to come into the country than any other nationality from this region.

We have had visa requirements in place for other countries. We have had visa requirements in place for Honduras, a country that we are very close to. We do not hear those types of comments coming from that direction. It is not healthy, and I think that we all need to live as human beings and discontinue that type of erosive behaviour.

Madam Speaker, I want speak briefly to my civil service colleagues to say that we recognise that we have many hardworking and dedicated civil servants. We also recognise that civil servants, like many other people in the country, are affected by the cost of living. I know that we have talked about this in great detail, and have spoken about the effect the cost of fuel has had on the cost of living in the country. That is a complex issue, but it is one that this Government is examining.

I wanted to say to our civil servants that we recognise the contribution they make on a regular basis to the country. Their salaries should be adjusted from time to time to respond to the cost of living in the country. I want to assure them that this Government is not going to let them down in that regard.

In his Throne Speech, the Governor, in addition to dealing with several priority policies of the Government, gave us the benefit of some parting reflections (as you would expect from a governor who is about to leave the country and go into retirement). He said some profound words, which I want to take a few seconds to quote.

On page seven he said, **“I would be among the first to admit that there has been some rough weather in our voyage together during the past three and a half years. I shall not dwell today on the Eurobank debacle or on the imposition of the European Union Savings Directive; nor on the disappointment here that the UK Government, having provided valuable assistance in the first few weeks after Hurricane Ivan, did not contribute more to Cayman’s longer-term recovery. Perhaps the European Union will do something to restore Europe’s reputation here during the next few months, if we succeed in obtaining some valuable support for the National Recovery Fund from the Commission’s emergency assistance programme.”**

I wanted to make reference to that statement for several reasons: The first being that the turbulent waters between the Cayman Islands and the UK were created because the administration at the time failed to practice diplomacy. In today’s world you have to employ diplomacy if you expect your message to have any affect. Confrontation does not bear fruit in the international arena any longer. I want to say to the country that this Government understands the practice of diplomacy, and we also understand that those who are incapable of practicing diplomacy in the 21<sup>st</sup> Century are, by extension, incapable of leadership.

This statement by the Governor clearly, in my view, confirms to us that Europe is certainly at the helm.

Madam Speaker, I wanted speak to this issue in the context of constitutional modernisation. I believe that during our upcoming educational campaigns on that subject we need to recognise—although some people still do not, and some people are still in denial—that the UK is no longer as constitutionally sov-

ereign a nation as it once was. It is truly a part of Europe by its subscription and submission to the European Union on many issues. It seems to me that for all intents and purposes our mother country is no longer the United Kingdom but, rather, the European Union.

I say that to say that when we enter constitutional talks with the United Kingdom we need to understand clearly what is happening going forward with the European Union and developments in that regard. We must enter our constitutional talks and our educational campaigns on constitutional modernisation with our eyes wide open. I hasten to add (before anyone on the other side of the House or anyone outside of the House decides to accuse me of going down a particular path) that this PPM administration believes in consultation, particularly when it comes on constitutional modernisation. It is only after that public consultation that we can be sure on the direction that the majority of the people in this country would wish to go.

Earlier I mentioned the Air Services Agreement that could potentially negatively impact Cayman Airways. I subscribe to a website called [airwise.com](http://airwise.com). I got an email from them this weekend that talked about the progress that has been made between the United States and the European Union on the Open Skies Agreement and the fact that they have come to an agreement in principle. That is an agreement that could negatively impact Cayman Airways and other small carriers in the Caribbean region.

To think that those types of negotiations could go on and could be agreed between the US and the EU—and we do not know the extent of the agreement yet. Perhaps it is only tentative agreements. But to think that they could have reached that far between the US and Europe, and that the United Kingdom itself appears to have been sidelined in the whole deal. As a result, the territories were not consulted and not involved in those discussions.

We need to understand how we can interact more with the European Union, if that is going to be the forum that we can be more effective in. We need to have some very pointed and frank discussions with the United Kingdom on that issue.

I want to conclude by talking about some of our district projects. We have met with a number of our constituents in Bodden Town and have advised them on some of our plans. We promised—and we will deliver by starting some of the work during this financial year—a new fire station for the Bodden Town district, a new post office for Savannah, a new civic centre and hurricane shelter, and we will be bringing vehicle licencing services to the district during this political term.

I have also been working with the National Trust on a number of development projects in the district and they have already started some work on the restoration of the Mission House at the end of Gun Square Road. The district is poised to take on a number of infrastructural development projects, and we



want to thank our constituents for the support they have given to us, establishing and working very hard on a number of committees ranging from committees to deal with the elderly to the youth, tourism development committee, and the recovery committee for the district.

Madam Speaker, the Budget before this honourable House and the Budget Address now being debated is good and fiscally responsible, and one which complies with the principles of responsible financial management as required by section 14 of the Public Management and Finance Law.

I am also proud to say that in presenting this Budget the Third Official Member was also able to point out that the debt service ratio is forecast to be 6.8 per cent of core Government revenue—well below the 10 per cent required by the principles. I do not think it is a budget that can be justifiably criticised. It is a budget that deals with the required infrastructural projects in the country, ranging from the provision of school facilities to road infrastructure, to supporting our health care facilities, to our tourism and financial services industries.

I again want to thank the Third Official Member for the presentation of the Budget, and the Leader of Government Business for his expansion on the policy objectives and to thank His Excellency the Governor for his service to Cayman and to wish him and his wife, Ms. Emma, all the best in the future as they depart our shores on their retirement.

With that, Madam Speaker, I conclude my debate on the Budget Address and the Throne Speech.

Thank you very much.

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

The Honourable Minister of Education.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker.

It is an honour and a privilege to have this opportunity to make my contribution to the Throne Speech and 2005/2006 Budget Debate in this honourable House. It is the first Budget Address and Throne Speech I have had the opportunity to debate as a Minister, and I want to start by talking about what I term “broader issues” within my constitutional remit as Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

I begin with the broader issues of good governance, constitutional modernisation, and democracy, because these are critically important matters. While they are not necessarily the issues that occupy the mind of the populace on a day-to-day basis, most other issues we face daily cannot properly operate without proper foundations, including these elements. Without these important components, most of every-

thing else we try to do in our society will be undermined and not as positive as they ought to be.

We campaigned for the better part of four years on the basis of the importance of good governance, proper democratic practice, and the development of an appropriate constitutional framework for these Islands. Our position in relation to those matters is set out in our manifesto. We have a mandate to improve good governance, the way in which this Legislative Assembly functions, the development of more democratic practices and better Standing Orders for the operation of this honourable House.

We set out our position in some considerable detail in relation to constitutional modernisation. We said that we will not support independence for these Islands; however, we will support the addition of two further Members to this honourable House with seven elected Members comprising the Cabinet as opposed to the current five. We have said that we believe [that the post] of Attorney General ought to be an appointed position, however, that appointment ought to be made by the Governor on the advice of the Chief Minister.

As for the constitution, we said that we need to develop a constitution for these islands that includes more checks and balances on the power of the executive than is currently the case. That position has been taken as a result of careful research and analysis, and a vigilant look at the experience with what I shall term the “tropical Westminster style of government” in the region and outside the region. These are things which attribute to good governance and are matters which affect democracy.

Someone once said that democracy is government by explanation. What that means is simply this: The executive is given the power to administer the affairs of the country and to develop and implement policies. Regardless of who makes up that executive, we are in grave danger unless there are suitable checks and balances in place and the executive is regularly called upon to account for its actions. Any country is in grave danger of the executive involving itself in excesses, proceeding unchecked down certain roads which may not ultimately be in the best interests of the country.

There are some who will say, *‘I thought that Alden had more sense than that. He is part of a government now that has control. Why are he and the government advocating positions in relation to the development of the constitution which have the tendency to undermine their authority and make it more difficult for them to do things they want to do?’* From this Government’s perspective, the constitution ought not to be developed on the basis of what suits a particular administrative regime.

When we approach the whole issue of constitutional reform and modernisation, we have to develop a constitution which allows the country to get the best possible administration regardless of who is in the

executive role. That means, whether or not I am a member of the Opposition or the Government, or whether I am simply a member of society, we need a constitutional document, a constitutional framework that guarantees democratic practices, guarantees accountability by the government, which allows the Opposition and the wider society to participate in the critically important democratic processes.

That is why we have advocated from day one the inclusion of a people-initiated referendum as a critical component of the new constitution. It is critically important that the people have the right, within prescribed terms and parameters, to initiate a referendum on matters of importance when they believe that either the government has got things wrong, or it insists on going down a course that the majority of the country disagrees with.

Those sorts of positions, which we have held for a long time, placed us at odds with the then government. I do not know whether their views on these matters may have altered somewhat in light of the lesson that they no doubt learned at the poles on 11 May. However, we have no doubt on this side that the people of this country want good governance, the people of this country want inclusion and the people of this country want consultation; the people want a government that is prepared to listen to what they have to say.

I believe it was 7 March 2002 when the constitutional commissioners delivered the report to the then governor. It is time this country moves forward with whatever constitutional changes we—and I am not talking about the government—we as a country decide we ought to have. I do not believe that there is anything to be gained in delaying this matter much further. I believe there is only a tremendous amount to be lost both in terms of opportunity and resources.

When we were the Opposition we battled with the Government over what we and many people in the country considered the undemocratic way in which they proposed to bring into effect a new constitution and to crown the current Leader of the Opposition as Chief Minister without the benefit of a General Election.

I wish to say that is certainly not what this Government is proposing. We have said in our manifesto, as well as many times before and since, that any changes made to the Constitution require, as far as this Government is concerned, the approval of the electorate by referendum. That is a pledge we have made. That is a pledge that we intend to honour and one from which we will not resile. It is a pledge that the Leader of Government Business made just this past week at the Overseas Consultative Council Meeting.

Over the years we argued about what I shall term “local issues”: issues such as whether or not we ought to have single-member constituencies; whether or not the Speaker ought to be allowed to be chosen from the inside or the outside. I hope and trust that we

can resolve those issues between us and the Opposition without the sort of rancour which existed in previous years.

However, in my view, far more important than those local issues, is really the redefining of the relationship between the Cayman Islands and the United Kingdom. That is what I believe we ought to focus on and strive for agreement.

Unlike the past Government, this Government is made up of pragmatists, it is made up of individuals who are seeking what is best for the Cayman Islands and not honour, glory or title for the people who are on this side as a result of the constitutional modernisation process. We are not looking for a window dressing—we are looking for substantive reform which benefits the Cayman Islands presently and in the foreseeable future.

**Hon. W. McKeeva Bush:** We shall see!

**Hon. Alden M. McLaughlin, Jr.:** We learned—and those on this side really did not need the lesson—that there is nothing to be gained and everything to be lost by standing on public platforms lambasting the administering power. As long as Cayman has a constitutional link to the United Kingdom, there are some things which are possible and some things which are not. Now, there may be some (regardless of what they say publicly) who would like to sever that constitutional link and become an independent nation. However, none of those souls reside on this side of the House.

We meet the constitutional modernisation process understanding fully, as Lord Treesman reiterated last week at the OTCC meeting, that there are essentially two fundamental issues upon which the UK cannot give ground: One is that as long as they are Overseas Territories of the United Kingdom, those territories will be expected to honour, abide and conform to the UK's international obligations. If they do not, the UK is in breach of those international obligations. Second, the UK intends to keep a close eye and ensure that there are adequate provisions which enable it to limit its contingent liabilities. But within those constraints and parameters a tremendous amount of reform, change, improvement and modernisation of the relationship is possible.

We know that the Turks and Caicos have settled their constitution. Quite frankly, I do not think they have achieved much more than a window dressing. The fact that the Chief Minister is called a “Premier,” and the former Executive Council is now called a “Cabinet” means very little to me—perhaps it allows the Chief Minister to walk around a little more proudly now as Premier.

From our perspective, what the Cayman Islands ought to do, and what we as a Government will be advocating that the country do, is to seek to significantly reduce special powers and the reserve powers of His Excellency the Governor in relation to the con-

duct and affairs of the Cayman Islands. We need to develop more control over local affairs and over the elected ministers' ability to carry out the conduct of the affairs of the Cayman Islands Government without unnecessary, and sometimes unhelpful, intervention by a governor.

Nothing I say at this moment is intended as a reflection on His Excellency the Governor who demits office at the end of this week. Not at all. I am talking about the office and the way things work.

What I am really referring to is the ability of ministers to determine what is on the agenda for a Cabinet meeting. Most people may not realise that under the current system, unless the governor agrees for a matter to come before Cabinet it will not get there. That is entirely within his ability to determine. My view is that we have reached a stage in the development of this country where the governor ought not to be chairing the Cabinet—the Cabinet ought to be chaired by the Chief Minister.

It is these sorts of matters I refer to (when I speak about the need to modernise the Constitution), to reflect the way things ought to operate in this country. That can be done and we can still retain the constitutional link we currently have. The question is whether the United Kingdom government can be persuaded to do such things. I believe they can.

They have said they will not countenance another Bermuda, meaning they will not allow another Overseas Territory to develop the level of self-government that Bermuda has. I do not suggest we actually need to get to the Bermuda stage at this point in Cayman's evolution and development. Nonetheless, we certainly require a more modern, constitutional framework in which to operate.

Cayman is small. However, with the exception of, perhaps, Bermuda, it is without a doubt the most sophisticated, progressive, forward-thinking country in the region, including the independent ones. The constitutional framework under which we operate ought to reflect that level of maturity and sophistication. While I know there is a small school which says we ought to take this further and think about independence, as I said, that is certainly not part of the PPM's agenda. We do not believe it is the way we ought to go, and we recognise we have no mandate for that in any event. In fact, we said the complete opposite in our manifesto. We will not support independence. That is the case.

Regardless, Cayman must continue its nation-building exercise. We must prepare ourselves to take on more and more responsibility for our own affairs. I think we all recognise by now that the UK is not desirable and cannot be relied upon to look after our interests. That is both good and bad. It is bad when we say, '*Look how they abandoned us when we had to deal with Hurricane Ivan*'. However, it is good in the sense that it has forced us to become more self-

reliant, resilient and willing to deal with our own affairs.

Notwithstanding the lack of constitutional advancements, the UK has moved the relationship to a new level. They are no longer the maternal UK they once were when I was much younger. Because we have moved ourselves and the relationship is not the same, because they recognise a growing maturity, I am also confident they will recognise that we need a constitutional framework to reflect that and give the elected government the ability to deal more closely and more independently with local affairs and matters.

For those who think that independence is inevitable . . . perhaps it is, but I do not see it for many years to come. Even so, we have to develop our people to be able to cope with that eventuality, and the only way we can do that is to develop greater intellectual capacity in this country and to develop greater and wider experience in dealing with international issues which will face any independent nation.

The Cayman Islands have taken a leading role in dealing with things like the international initiatives which affect the financial sector, for instance. We have done so because there was no choice and because we understood that the UK would not be fighting in our corner. Cayman must continue to do that. We must continue sending our people to these international meetings as part of either our own delegation (if the UK permits that), or as part of the UK delegation if that is not possible.

I should say that we explored that with Lord Treesman at the OTTC meeting. He has indicated a willingness on the part of the UK to allow the OTs to take part in international delegations dealing with issues which affect matters within those territories. We must develop more ability ourselves to handle our own affairs, and part of that is developing more ability to look after local affairs ourselves independent of the views of Her Majesty's government as expressed through the governor.

While this is an area near to my heart, I am conscious that I have a significant ministerial responsibility in relation to the other subjects. I need to ensure that I leave sufficient time to deal with that. But I want to finish this aspect of my debate by saying that the PPM administration intends to proceed with discussions about a new constitution starting early next year. The Leader of Government Business and I spoke to the officials in the Foreign & Commonwealth Office last week, and they have agreed to send a delegate to Cayman early next year to sit down and talk with the Government, the Opposition, and the wider community about what is and is not possible.

Informed by those discussions, we hope that we can have either the current Draft Constitution (which has been on the Table since February of 2003) amended and circulated. Or, indeed, if indications are that it needs to be substantially reworked, then that can be done. A series of discussions throughout these

Islands can take place, hopefully arriving at some degree of consensus, and a formal document can be put to the electorate by way of referendum hopefully towards the end of 2006.

I turn now to the subjects within my Ministry beginning with education. I laid on the Table of this honourable House the draft "National Consensus on the Future of Education in the Cayman Islands", essentially the Report of the National Education Conference. That report was informed by debate from a number of Members of the Opposition, including the Leader of the Opposition. I promised then, as I had before, that those comments would be carefully considered and, where appropriate, amendments would be made to the draft document which had been laid on the Table of this honourable House. I sought to produce, as swiftly as possible, a final document which would become the blueprint for education in the Cayman Islands.

I am pleased to inform the House that I now have in my possession the final document entitled "National Consensus on the Future of Education in the Cayman Islands" which reflects some amendments to the earlier document based on the debate which ensued in this House. The first thing I would like to do before entering into the debate on education generally, is to mention that I have delivered a copy of the final report to all Members of this House. Tomorrow I have the great privilege of delivering a copy to His Excellency the Governor, to the Leader of Government Business, to Mr. Conor O'Dea (the speaker on behalf of the private sector at the conference), and to the kind sponsors and representatives from NCB Consulting Limited and Ernst & Young.

Now it is only for me to lay a copy of the final document on the Table of this honourable House so that this particular document becomes a public document. I have printed 1,000 copies, and I intend to deliver one copy to each teacher in the government system and ensure that copies are also delivered to the private schools. Indeed, there should be sufficient copies available for interested members of the public who wish to have a copy of the document. With your permission, Madam Speaker, I wish to lay this document on the Table of this honourable House.

**The Speaker:** So ordered.

**Hon. Alden M. McLaughlin, Jr.:** As I said, I spent the better part of three hours talking about the report during its debate, and I do not really intend to spend much time in this debate reiterating those matters. At this stage, I wish to talk about capital works in education.

The Ministry has recently received confirmation of its final award of insurance funds against its various units. I am happy to say that all of those units have now provided the Ministry with an updated scope of work in relation to what is required to get their facilities back to pre-Hurricane Ivan conditions. With the

funds received, we are pleased to be able to restore all sports facilities, the Harquail Theatre, and the museum back to pre-Hurricane Ivan condition and in many respects better than the original state. Beyond that, once we get the approval of the Budget before this honourable House, arrangements have been made to initiate work against the various items shown as new capital work for this fiscal year.

The Third Elected Member for West Bay raised a question in relation to sporting facilities generally. I hope that goes some way to allay his concerns and inform him where we are on that front. However, he also mentioned lighting problems at various sports fields. I am aware of those issues. What I can say is that we have signed contracts for the repair and/or replacement of lights at the following civic centres and fields: the Bodden Town Civic Centre, which is the Haig Bodden Football Field; North Side, the Old Man Bay Playfield; George Town Primary, the netball/football field; Airport Park; the Lion's Aquatic Centre; the T.E. McField Football Field; East End Playfield, the Donovan Rankin Playfield; and the West Bay School Football Field and Netball Court. The lights have been ordered and it is expected they should take about eight weeks direct from the factory. The contractor told us that he expects the lights to be here by 20 December and all installations complete by the 20 January.

The situation at the Truman Bodden Sports Complex, which is a much more significant capital outlay, is provided for in the current Budget. We can begin those repairs once the Budget is approved.

**The Speaker:** Honourable Minister, if you are moving on to another point, perhaps this is a convenient point to have the evening break.

**Hon. Alden M. McLaughlin, Jr.:** Yes, Madam Speaker.

**The Speaker:** Proceedings will be suspended for 15 minutes.

**Proceedings suspended at 7.25 pm**

**Proceedings resumed at 8.01 pm**

**The Speaker:** Please be seated.

Proceedings are resumed. The Honourable Minister of Education continuing his debate on the Budget Address and the Throne Speech.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker.

Other areas I am concerned with, which have arisen as a result of Hurricane Ivan, include the matter of office accommodation for the Cayman National Cultural Foundation (CNCF) staff, and the staff of the Youth and Sports Department staff. The renovation and upgrading at the Harquail will be long-term with

accommodation issues for CNCF. At the moment we are pursuing accommodation for the Youth and Sports personnel, as the current accommodation at the Truman Bodden Sports Complex is inadequate.

For those who may not remember, the Youth and Sports Department used to be housed in the Tower Building. However, in the aftermath of the hurricane it was moved down to the Truman Bodden Sports Complex. It is now set up in what used to be the gym there. I visited there when I met with the Youth and Sports staff approximately six to eight weeks ago. It is just what is called "open planning". There is no privacy at all for any of the staff who can even fit in there. There are simply work stations, and staff that cannot fit in there are essentially operating out of their cars. We really must do something about this.

We have announced for some time now (and it is reflected in this year's budget) a proposal to build two new high schools—one in Frank Sound and one at West Bay—and to re-develop the John Gray and George Town Primary sites. Essentially, the John Gray re-development is a new school, although it is on the same site. Funds have been proposed in this year's budget for all of those projects.

These capital works development projects must be set within the context of the National Education Conference Report, the "National Consensus on the Future of Education in the Cayman Islands" which, as I said earlier, was recently approved by this honourable House. We are in the process of advertising for a senior project manager who has experience in building educational facilities, specifically high schools. The advertisements will appear very shortly in the local press.

Additionally, as part of the implementation process and the recommendations which appear in the report, we have established an educational, technical working group which is charged with the responsibility of providing a position paper which answers issues such as: What curriculum these new schools deliver? Should one or more of these new schools provide a comprehensive, technical and vocational setting? Should one or the others be fully an academic curriculum?

There are a number of other questions that arise from this. Do we try to create three high schools which run exactly the same curriculum, all set to achieve the same results? Or do we develop a curriculum at one of the schools which is biased more in favour of technical and vocational training?

For instance, when young people choose their subjects to decide what external examinations they will sit, what are the areas of focus of study at Year 10? Will they be making those choices for Years 11 and 12? Is it a five-year school system or, at Year 9 a six-year program? If they have a technical or vocational leaning in the subjects they chose, which school do they go to, North Side or West Bay?

Those are the sorts of questions that need to be answered before we begin erecting buildings because these buildings need to accommodate programs and interests.

Another question is: what age range should these new schools cater to? Should they have a five- or six-year program?

Traditionally, before you moved on to complete A levels or something else, it was a five-year high school program. Because we have a junior high school and a senior high school here in Grand Cayman, it was felt by those developing the program that to simply have children make the transition from George Hicks to John Gray and go straight into their exam years would likely be counter-productive and create problems; that they needed a settling-in period at a new school. That is how the Year 10 came about.

There were also concerns, which I share and still share, about the need for children to finish school later when they are a bit older and more mature. The additional year in the high school system allowed for that to happen.

We have this debate which has been ongoing for some time—should we continue the six-year program? If we are moving to an all-through high school system, as opposed to a junior high school and a senior high school system, should it be a five-year program? That question needs to be answered because that is going to be an important factor for the schools that we build and the number of students the schools are designed to house.

Another question: What range of tertiary programs should be in place to support these new opportunities? What planning is required to ensure a smooth transition from John Gray and George Hicks once the first new school is completed? These critical questions have to be answered before we start building schools. That is what the educational technical group has been charged with responsibility for doing.

It is unfortunate that the Leader of the Opposition is not here. I hope he is listening to me somewhere in these precincts.

You see, Madam Speaker, the reality is that while the last government made much ado about breaking ground for new schools, no work was done to answer any of the questions raised by me earlier. Without clarity on curriculum and the other issues I spoke about, buildings cannot be properly designed and built to reflect the range of services which need to be provided within them.

My plan is for this position paper (which will answer these questions) to be completed within six weeks from today. We propose to keep all stakeholders involved. Thereafter, we will begin pushing ahead with construction work. So far, I must say the team assisting me with driving these initiatives has worked really hard and has done extremely well in terms of meeting the various deadlines. We have managed to do everything we proposed to do within

the timeframes we projected, and we have managed to deliver on some significant promises. I have no doubt whatsoever that we will be able to deliver on this one. Then we can press on with construction.

I spoke earlier about the report and the contribution this honourable House made to the final document itself. I take this opportunity to, again, thank Members and to advise and assure them that work is already underway to comprise what I presently call "an oversight implementation committee" to ensure that the requisite implementation plan is written and work is initiated quickly to advance changes needed.

There is one matter that causes me some embarrassment and a great deal of concern. However, I do need to share this with Members of this House: Everyone will know of the position I have taken time and time again in relation to ensuring that contracts of significant value are awarded by the Cayman Islands Government go through the proper procedure and that the Central Tenders Committee has the opportunity to consider the tenders and to make recommendations as to whom the contract is awarded.

I alluded to this in earlier debates (but I am going to talk about it in some detail now). That is the awarding of bus contracts for the schools. Based on my anecdotal information over many years, but more recently based on my review of the files in the Ministry relating to this, this is an issue that has been fraught with controversy and problems, it seems from time immemorial.

On my review of the files I discovered that there has been great controversy in relation to the award of bus contracts some two years ago. The Leader of the Opposition will be well aware of this because his fingerprints and his signature are on correspondence in which he complained (I think quite correctly at the time) about the way certain contracts for the provision of bus transportation services for children in his constituency had been handled and dealt with. That then resulted in the Ministry assuming the responsibility for the handling of these tenders for bus contracts at that stage. Those contracts expired at the end of the school year.

I assumed office on 18 May. The current Permanent Secretary assumed office on 1 July. Neither of us was aware of how these things worked or what the issues and problems were. We came to understand, as a result of having been apprised of concerns by certain bus operators, that, in fact, tenders for contracts ought to have gone out early this year so that the process could have taken place, a bid properly considered and awarded by the Central Tenders Committee well in advance of the expiration of the current contracts.

For instance, if the routes were re-allocated based on the competitive bids and the contractors had opportunity to make alternative arrangements such as acquiring more equipment or hiring more staff, they

would be able to do so in good time. However, none of that happened as it ought to have happened.

The result was that when all of this came home to the current Permanent Secretary and me, things were so far down the track that it was impossible for the proper bidding process to take place. There just was not enough time to get the bids out, to get the tenders in, to have them considered and awarded, and to give the individuals concerned the opportunity to make the necessary arrangements to start the new school year.

We went to Central Tenders Committee and we explained to them the dilemma. In light of that we proposed that we simply renew the original contracts (awarded in 2003) with the contractors with some changes to obviously reflect the additional cost of fuel, insurance and Hurricane Ivan costs.

Central Tenders Committee understood what we said and they sympathised. However, they said they had had enough of the shenanigans that go on with the awarding of those contracts. They refused to have anything to do with our proposal and said that things needed to go out to tender in the usual and proper way.

I am an advocate, and continue to be, for things being done properly through Central Tenders Committee. However, because of the neglect of those who were then in charge to deal with this issue, I was faced with a situation where, had I gone with the strict adherence to the regulations that CTC insisted upon, we would have no buses to take children to school come September. I set the position out in detail in a Cabinet paper, and I took it to Cabinet to apprise of the situation.

I proposed that, as an interim measure, we simply renew the then expired contracts with the bus contractors who had operated over the course of the past two years on precisely the same routes for a year—not for two or three years as had usually been the case. I proposed that we start the bidding process in March of this year so that matters would then go out in the usual way for a proper tendering process to take place. That is what transpired.

I felt that I ought to make public what had transpired because I do not want anyone to suggest that this happened and the Minister sought to keep it secret. It is something I am still upset about to this day. However, you have to do what you have to do—especially when those who were supposed to deal with it did not!

The situation with the janitorial contracts is a little different, yet no less fraught with problems. Those did go out to bid late in the day and the contracts have been awarded. However, there are significant problems with those contracts and the ability of some of the persons to whom they have been awarded to actually do those jobs. Although these matters need to be properly handled, and have been by the Ministry, these are matters for the Education Department. These matters speak to some of the

management issues which I complained about so publicly about over the course of the past few months for which I have been wrongly criticised by the Leader of the Opposition and some of his acolytes.

Madam Speaker, I have in my hand something entitled the "Interim Report on the Financial Management of the Education Department" which Alden McLaughlin did not write. It is from the Portfolio of the Civil Service Management Support Unit.

For the benefit, in particular, of the Leader of the Opposition, and the author of the recent letter in the press who expressed the view that the conduct of the current Minister is extreme . . . Well, Madam Speaker, that may be so. However, the problems that the current Minister faces are extreme, and, unlike those who have gone before him, this Minister is not prepared to sit on his hands and say *'I just cannot do anything about it'*. If I cannot do anything about it, then I ought not to be here!

**"This report is the second in a review to examine the current financial management—"**

**The Speaker:** Honourable Minister, will you be laying that report [on the Table] when you have completed your contribution?

**Hon. Alden M. McLaughlin, Jr.:** If you so wish, Madam Speaker.

**The Speaker:** I would, thank you.

**Hon. Alden M. McLaughlin, Jr.:** It is entitled "Interim Report on the Financial Management of the Education Department" 21<sup>st</sup> October 2005. As I mentioned, it has been prepared by the Management Support Unit, the Portfolio of the Civil Service.

**"This report is the second in a review to examine the current financial management regime of the Education Department and to make recommendations for its improvement.**

**"Major observations and recommendations"**

**"The Education Department does not currently have the capability to deliver programmes such as ITALIC and the work streams recommended in this report. This could be addressed in a number of ways including the use of consultants, the use of the Management Support Unit, additional on the job experience, or the recruitment of staff already experienced in these areas.**

**"Contracts relating to the ITALIC project do not currently comply with Financial Regulations. This is already being addressed by the Ministry. [Indeed it is, Madam Speaker.]**

**"However, it highlights a system weakness in the procurement of the inputs for the ITALIC programme.**

**"The ITALIC project needs to be reviewed in terms of its impact on education outcomes, its**

**operation outside of the Education and Computer Services Departments as well as its delivery of value for money."**

I am trying to not read the whole report, yet I do not want to do a disservice or injustice to it by leaving out information which is necessary to make it properly understood.

**"Strategic Planning"**

**"It was observed in the previous report that Strategy documents exist for both the Education Department as well as for some of the schools. However, they do not necessarily reflect national priorities, or strategies arising from School's Inspectorate reports.**

**"An example of this is the ITALIC programme, which due to a perceived lack of support and capability in the Education Department was put under direct Ministry control. [Not by me, Madam Speaker, this is before my time.] Whilst on the one hand this may have enabled the programmed to be delivered more efficiently, it has lead to confusion of roles, responsibilities and accountabilities between the schools, ITALIC, Education Department and the Ministry. This is another example of the need for responsibilities and accountabilities to be clearly established in order to support the Ministry's strategy.**

**"Once again several interviewees commented on a perceived lack of policy and guidelines, both at a strategic and operational level.**

**"Financial Reporting"**

**"Interviewees again commented on the lack of regular financial reporting, with some resorting to running their own stand alone systems.**

**"Procurement procedures and supply chain management"**

**"The ITALIC project has at times operated outside of the regulations relating to the Central Tenders Committee and the Ministry's Tenders Committee. Whilst it is apparent that this is now being addressed, this highlights a systems weakness in the Ministry's procurement process."**

What that legalese means is that items have been purchased for the ITALIC project without the benefit of proper tendering, and, therefore, there are real issues as to whether government is getting value for money spent.

**"Again, several comments were made regarding the drawn out process of procurement, with its duplications and restrictions. Principals appear to be in the position of having to purchase supplies themselves in order to mitigate the supply problems."**

The letter in the *Caymanian Compass*, Friday before last, was sarcastic about my reference to principals actually having to get approval from the Education Department even to purchase a roll of toilet tissue. Well, this is what the Management Unit says; this

is not me speaking now. Let them write another letter about this.

**“Once again several interviewees commented on a perceived lack of policy and guidelines, both at a strategic and operational level**

**“General Observations”**

**“The School Improvement Planning tool being developed in the Ministry appears to be the basis of an excellent tool for continuous improvement in schools, embodying many of the elements that successful improvement programmes should have. Its methodology needs to be extended to the Department and to include improvement as a day to day activity, as well as a preplanned and strategic operation (it needs to be both).**

**“This programme is a clear example of trying to promote change management. The management of change has been identified by academics as the key attribute of organizations that excel in their fields. I believe it is the capability to manage real change that requires addressing in the Education Department. It appears that the Department does not have the capability to diagnose, design, manage and implement change.**

**“ITALIC revolves around one person, the project manager. It is very vulnerable to that person leaving the Civil Service. One of the disadvantages of taking the ITALIC programme from outside of the Computer Service Department’s remit is that all the support functions that they supply are not available. This means that the vendors supplying these functions need to be more closely monitored and controlled than is usually the case. It also means that for security reasons the ITALIC and gov.ky networks operate independently of each other. This means that almost all of the teachers have no gov.ky email address.**

**“Net Recommendations”**

**“A. The procurement process for the ITALIC programme needs to be regularised so that it complies with financial regulations. This includes the tendering of large contracts.”**

**“C. The capabilities of the staff in the Education Department need to be seriously considered against the demands which need to be placed on them. The Department’s team needs to be able to deliver programmes such as ITALIC and the continuous improvement work streams identified in this report as a matter of course. From the evidence I have seen, I do not believe that they currently have this capacity.”**

That is a flavour of the report. I had not seen this report, and, in fact, it had not been written when I debated these issues in the Legislative Assembly. This Minister (if I may say so myself) has worked very hard and has a pretty good handle on what the issues and problems are. This is an independent report confirming virtually everything I have said in my criticisms of the way the Education Department is managed.

Notwithstanding the able advocacy and defence of that department by the Leader of the Opposition and others, I understand what has to be done. What has to be done will be with or without the support of people in the system or at the highest echelon in the government service.

As I said before, I have no ability to interfere with personnel decisions. I can hire no one. I can fire no one. And I am not asking for that responsibility. However, I insist on performance and on the outputs that are required. If they are not done, and if we do not achieve the performance and get the outputs, the Minister will do what he has to. If Government wants to continue to pay people to do nothing, that is entirely up to them. The mandate and contract I have require me to improve the state of education in this country. Unless something serious happens to me, it will happen. For the grace of God, it will happen on my shift.

I now turn to the situation with pensions.

**The Speaker:** Honourable Minister, can you lay the document [on the Table], please? The Clerk will send someone to get a photocopy.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker.

Madam Speaker, I beg to lay on the Table of this honourable House a document entitled “Interim Report on the Financial Management of the Education Department” dated 21<sup>st</sup> October 2005. It was prepared by the Portfolio of the Civil Service, Management Support Unit.

**The Speaker:** So ordered.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, I wish to talk now about the situation with pensions.

I had the opportunity to visit the pensions office some weeks ago at Anderson Square. It is a small team doing what I believe is some very good work. However, I see a very worrying sign on the pensions’ horizon, if I may call it that. I will continue to encourage the staff at the pensions office to keep up the heat under those who are breaking the law in this regard.

We now find that a number of employers have been collecting pension payments over the years, yet not paying them into the selected pension provider’s fund. This has serious ramifications, as I am sure all Members of this honourable House understand.

There is currently one case before the courts and a number of others in train. My concern is about all of those we do not know about. I take this opportunity to make an impassioned plea to all employers in these Islands to collect what is legally due as a pension payment and pay that together with their portion of the contribution to the pension provider so that the future is secure for the people they employ.

Those who do not comply with the law and those who do what our own HSA was doing for a while need to understand that that is a criminal of-



fence. You cannot take other people's money under false pretence and use it for your own purposes. So we really must address that matter.

In those terms, the National Pensions Office and the National Pensions Board expect to deliver to the Ministry recommended changes to the National Pensions Law for Government's consideration this financial year. These changes may not include all aspects of the law, such as retirement age, contribution rates, and changes to investment regulations, as the actuarial examination and the investment benchmarking studies should be undertaken this year as well. Recommendations with respect to these particular areas might be delayed until the next financial year.

Although the law has been around since 1998, there still seems to be some confusion among employers, employees, and plan administrators, as to the responsibilities and rights under the law. As a result, the National Pensions Office and the Board plan to take steps to ensure that all multi-employer plan administrators are in compliance with the law during the course of this financial year. This will be achieved through the publication of pamphlets, heightened enforcement and investigation, increased communication, and the establishment of a web site for employers and employees to be much better informed of their responsibilities and rights under the law.

Turning now to employment relations: I paid a visit to the Employment Relations Department a few weeks ago which proved very comprehensive. We discussed the matter of a plan review which would support the department to develop the organisational systems and processes needed to cope with the range of international obligations that it must meet, as well as ensuring that the skill capacity is in place to deal with a range of services our community requires.

Ours is a rapidly changing environment, and we must ensure that developments in education mirror the world of work so that all our people, whether young people entering the work world or adults seeking re-entry or retraining, have options. Our Department of Employment Relations must be tooled and positioned to handle these changing realities.

I am also pleased to advise that a new board for the Investors in People project is now in place and I look forward to the time when my own Ministry can embark on its own certification in this very valuable project.

The Human Rights Committee, for which I also have responsibility, has now named the new membership of the committee. Care has been taken to represent a broad base of Caymanian society and I look forward to working with all members.

This whole issue of human rights is one of great importance for these Islands and for the world as a whole. While I know there are some very good people in our society who have concerns about the adoption of a Bill of Rights, the reality is, in the modern world we must. The Bill of Rights which has been

proposed by the UK for us as part of our Constitution is, essentially, a document that is some 50-plus years old. It consists of what I call the "first generation of rights". Many modern societies have moved on to second and third generation rights. Cayman cannot, in my respectful submission, continue to say that we will not agree to a Bill of Rights.

The Government, and I believe the Leader of the Opposition, is now in possession of recent correspondence from the Foreign & Commonwealth Office in which they have indicated that they are in the process of renewing the right of individual petition to the European Court of Human Rights on behalf of a number of other territories. Because that right (which existed for the Cayman Islands up until the early 90s) had lapsed, they are inviting us to propose that it also be extended to the Cayman Islands.

The letter notes that the situation in the Cayman Islands has become anomalous. We are virtually the only territory left that does not permit the individual right of petition to the European Court of Human Rights. We need to bear in mind the very careful, diplomatic language used in that letter, and understand that the way it is written and what it says is an expression of dissatisfaction about the situation that exists in the Cayman Islands. I am hopeful that if we can get the Constitutional situation agreed over the course of next year we can adopt a Bill of Rights, and many of these concerns and criticisms which currently exist about the Cayman Islands will be resolved on that front.

I am not so naïve as to believe that the adoption of a Bill of Rights will not create a whole set of other issues and problems for the Government as people seek to ensure that their rights are protected.

Because Cayman holds itself out (properly, and appropriately I believe) as a sophisticated, first-world nation, we have to understand that at a minimum we have to respect human rights. We have to have various mechanisms in place to allow those who believe those rights are being trampled to have an opportunity to seek redress. That is the position of this Government.

Moving now to the development of national policies. Work in all areas of the Ministry has come under review. What has clearly come to the forefront is that a number of the areas of the Ministry have operated and continue to operate without any defined national focus. This is specifically true of the areas of sports and culture where there are no national policy statements and therefore no implementation plans. This is somewhat ironic in relation to the sports matter.

When I visited with all employees in the sports and youth sections of the Ministry they all came very beautifully attired in polo shirts reading "National Sports Policy". Because I had been unable to find any such policy in the Ministry, I inquired and some said to me *'Well, we have the shirts'*. In fact, the policy has

been discussed and things have been written about it, yet no policy has ever been adopted. We are working to deal with that and to develop a national sports policy.

There is a need to update the national youth policy and approve an implementation plan which will drive the policy framework. While there is a National Youth Policy (which was adopted by the last government in 2000/2001), there is no implementation plan. Virtually none of it has actually been implemented.

While the research and consultation in these areas will take place over an extended period of time, work to draft the terms of reference to acquire a consultant to carry out this particular work has started. The PPM's commitment is to develop national policy positions where none exist, update national policy, effect implementation plans and establish a research-oriented framework which will guide all future policy generation.

Having reviewed the education sector and putting a strategic plan in place to take things forward, I will now turn my attention to developing a similar integrated framework for the areas of youth, sports and culture.

**The Speaker:** Honourable Minister, you have approximately 32 minutes left.

**Hon. Aiden M. McLaughlin, Jr.:** Madam Speaker, my Ministry is people-focused. It is therefore critical that all units are managed in such a way that will allow for an integrated approach for children, young people and adults in our Islands to benefit in meaningful ways where linkages are strong and posited between education, employment, culture, youth and sports.

I know my proposals today highlight an ambitious plan. Ambitious, yes, but necessary if we expect to offer our people opportunities to develop and prosper, no matter what age they are. We must organise the systems and processes we use to ensure we do deliver. To achieve all of this there is a need to increase the personnel within the Ministry, and this is a matter I am being criticised for at all quarters.

These new positions, coupled with existing staff, will ensure that the Ministry provides the needed technical attention and support to each of the subject areas of the Ministry. The new posts will be at the Deputy Permanent Secretary level, and the Assistant Permanent Secretary level, as well as to provide additional senior management skills in human resources.

The Ministry will now have increased attention to technical subject areas within the Ministry and enhance finance and personnel management throughout all subject areas of the Ministry.

The services provided by the Ministry must keep pace with an ever-expanding business community and the rapid, professional growth and sophistication of our people. This level of sophistication calls for technical competence, high-quality leadership and

management within all areas of the Ministry. My Ministry will rise to that challenge.

I am very excited about this, and these posts (which I hope to have filled within the course of the next 90 days) will provide high-quality policy support to me in all areas of the Ministry. They will ensure that informed decisions are made and will raise the standard of all work done by the Ministry through the use of research and data-driven activities.

There is also another aspect of my Ministry which is not reflected in the title, and that is the matter of initiatives affecting the financial services sector. Third-quarter statistics for the financial services sector indicate close to double-digit growth in company registrations, fund registrations, stock-exchange listings and captive insurance licenses compared to the same period in 2004. Healthy results such as these are most welcome, particularly in such a competitive environment.

As a Government we have a responsibility to ensure that the legislative and policy infrastructure is conducive to continued growth of a quality industry. The quality dimension is critical to the financial industry's long-term health. Even more significant than the statistics is the fact that these have been achieved not by ignoring accepted international standards but by operating within them. All of this sounds simple and clear cut, but, of course, it is not. In particular, the proliferation of international initiatives potentially affecting Cayman's financial services sector, along with that of many other countries, shows no signs of abating. What once may have been dismissed as "weather" has now become "climate". This cannot be dealt with by withdrawal, denial or inertia but requires sustained, constructive engagement.

The Government is putting a lot of effort and emphasis into ensuring that Cayman engages with international initiatives on the basis of consultation, sound analysis that has long-term perspective, and principled action. This is the area that I have been given special responsibility for, in close cooperation with the Financial Secretary and the Leader of Government Business.

In this regard, the Financial Services Council, which was established in accordance with our manifesto, has already spent many hours considering policy issues arising from the international initiatives and will spend many more. As a result of recent considerations, recommendations were made to Cabinet regarding the next steps in the negotiation of the comprehensive taxation agreement with the United Kingdom, which will be pursued. The successful negotiation of such an agreement, although presenting certain challenges due to Cayman's direct tax regime (which will not be altered) will expand opportunities for financial services as well as general business.

In addition to local deliberations, the Government has ensured that technical delegations from Cayman participate in international, technical forums relating to the OECD initiative and the Financial Ser-

vices Partnership Working Party recently established under the aegis of the European Commission. Cayman will also be sending a full delegation for the OECD Global Forum in Melbourne, Australia, next month, at which it is expected that the next phase of discussions on the all important level-playfield issue will commence.

As hard as we work in the international arena to protect Cayman's interest and to ensure that we keep apace with accepted international standards, it appears that we are going to have to work even harder to protect the Cayman brand name from being tarnished by misinformation. The Government is focusing on this issue as well, and I hope to shortly arrange for a presentation by the Public Relations Unit of the Portfolio of Finance and Economics for them to make a presentation to the Private Sector Consultative Committee about the new PR program being developed to assist with this matter.

My Ministry is busy, exciting, challenging, frustrating, wonderful—absolutely wonderful—to work within. I wake up in the morning and I cannot wait to get down to my office because there is so much to do and so much going on. I am one who functions best when I am under pressure. The greater the challenge, the greater my desire to become involved in it. This Ministry provides all of the excitement and all of the challenge I could ever ask for.

The first six months have been tough for the Government and for all of us. Although I always say self praise is no recommendation, I do believe that all Members of the Government and its supporting backbench have done an admirable job in coming to grips with the many challenges we face. I believe that in these six short months we have gone a very long way to delivering on many of the promises which are contained in what the Opposition disparagingly calls the "Little Red Book".

We have delivered on specific matters, some of which I have referred to, many of which my colleagues have referred to, and some which even the Opposition has begrudgingly had to acknowledge. Above all, everywhere I go in this country, what we have done, I believe, is to bring a level of openness, accountability, honesty, integrity and democracy to the administration of the affairs of this country.

The press once more feels free to criticise the government, and does so often. We have developed and opened the lines of communication between us and the press and, by virtue of them, the wider population. People no longer view government in this country as a sinister and intimidating machine. We have established a high standard which I believe we can all be proud of and which, while we can always seek to improve, has created an environment which, certainly in my lifetime, this country has never had.

All of us on this side work well together. By working well together that does not mean that we all agree on every single thing that is proposed, because

that would not be good either. We debate issues vigorously, but we have one agenda: the best interests of this country. We understand that not all of us will always get our way. Over the four-plus years we have solidly worked together in developing this manifesto, this culture of governance and a plan for this country, we all understand that we must pull together even when we may feel strongly one way or another on a particular issue.

For the first time in a long time this country has a government of unity, a government of strength, a government of integrity with a willingness to listen to what the people of this country say and to be guided by their collective wisdom. We have not always got it right, and we will not always get it right, but everywhere I go what I hear, what I feel, and what I see is approbation for the efforts and achievements of this Government over the course of its first six months. We now have before this honourable House our first Budget.

The Opposition has spoken. By and large, they have been unable to find anything of consequence to fault this administration, either in terms of its fiscal planning or its policy in relation to dealing with the critical needs of this country. Many of these needs were sidelined by the former administration. Because of their approach, their lack of acceptance and acknowledgement of these issues they have festered and have gotten worse. We have faced these issues head-on and devoted, and still propose to devote significant funding and resources to address them.

Let them criticise borrowing. If we have to borrow for schools, or to fund the Police Force so that this country will be safe and its people are properly educated to seize the tremendous opportunities that good government, such as the PPM, will provide, then I am prepared to defend those positions and accept those criticisms. What we are not prepared to do is what the last government did—look the other way and pretend that these situations do not exist. When they were forced to acknowledge them they said 'Well, we had to spend the money on something else'. We are going to tackle the big issues, the social issues, because if we do not get those right all the rest will be for naught.

*[Inaudible comments from the Leader of the Opposition]*

**Hon. Alden M. McLaughlin, Jr.:** The Leader of the Opposition can mumble as much as he wants, but that is because the point is being made very clearly and it is being driven home to him.

With those few concluding remarks, Madam Speaker, I thank you and this honourable House for the opportunity to debate the Budget Address and the Throne Speech and to outline the proposals and the plans of my Ministry.

Thank you.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? Does any other Member wish to speak? If no other Member wishes to speak, does the Honourable Leader of Government Business wish to reply to the Throne Speech?

**Hon. D. Kurt Tibbetts:** Madam Speaker, my reply to the Throne Speech before the Financial Secretary does his winding up could only be started for just a few minutes before we have to close.

I can start with a few items but I would prefer if you would allow us to resume at 4 pm tomorrow and at that point I would conclude—

**Hon. W. McKeeva Bush:** Oh come on.

**Hon. D. Kurt Tibbetts:** —and allow the Third Official Member to do the wind up tomorrow, then we can resume with Finance Committee on Wednesday morning.

**The Speaker:** If that is the case could I have a motion for the adjournment of this honourable House?

Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Far be it from me not to want to listen to some more of what was just completed, but we were just told that we would stay until 10 pm. We have prepared ourselves for that, and you have called for the winding up. Now, I think the rules are, if you are ready then you are ready; and if you are not ready then you are not ready. But, if the rest of the House is willing, I do not see a reason why we cannot bend the rules and allow for what is going to happen.

**The Speaker:** Honourable Leader of Government Business, if it is the House's decision that we now adjourn, and that the winding up to the two debates take place tomorrow, may I have a motion for the adjournment of this Honourable House?

**Hon. D. Kurt Tibbetts:** Madam Speaker, out of an abundance of caution and craving your indulgence, I want to make it absolutely clear that that is what will happen tomorrow. Otherwise, if I need to I will begin my winding up. I just want to make sure.

**The Speaker:** I am here as a service to the Parliament. If it is the intention of the Parliament to adjourn now and we wind up on the two debates tomorrow, I need a motion and it will either be carried or denied.

**Hon. D. Kurt Tibbetts:** Thank you, very much Madam Speaker.

Absolutely, with the clear understanding from the previous statement that you made, I just wish to

make sure that everybody understood so that tomorrow there is no question as to the procedure.

*[Inaudible interjection]*

## ADJOURNMENT

**Hon. D. Kurt Tibbetts:** With that in mind I beg to move the adjournment of this honourable House until 4 pm tomorrow, 25 October 2005, so that the Leader of Government Business and the Third Official Member can conclude the debate on the Throne Speech and the Budget Address.

**The Speaker:** The question is that this honourable House do now adjourn until 4 pm tomorrow, Tuesday, 25 October 2005. All those in favour please say Aye.

**Ayes and one audible No** (Hon. W. McKeeva Bush).

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

**Hon. W. McKeeva Bush:** I would like a division please.

**The Speaker:** Madam Clerk.

**Hon. W. McKeeva Bush:** Undemocratic!  
Bad governance!

**The Speaker:** Madam Clerk, will you call the division please?

*[Interjections]*

**The Speaker:** Honourable Members can we please take the division? Please listen for your name as the Clerk calls it.

## Division No. 4/05

### Ayes: 14

Hon. D. Kurt Tibbetts  
Hon. Alden M. McLaughlin, Jr.  
Hon. Anthony S. Eden  
Hon. V. Arden McLean  
Hon. Charles E. Clifford  
Hon. George A. McCarthy  
Hon. Samuel W. Bulgin  
Hon. G. Kenneth Jefferson  
Miss Lucille D. Seymour  
Mr. W. Alfonso Wright  
Mr. Moses I. Kirkconnell  
Mr. Cline A. Glidden, Jr  
Capt. A. Eugene Ebanks  
Mrs. Juliana Y. O'Connor-Connolly

### Abstention: 1

Hon. W. McKeeva Bush

**Hon. W. McKeeva Bush:** That shows you the favouritism in this House.

I'm going fishing tomorrow!

**The Speaker:** The result of the division is 14 Ayes and 1 Abstention. This honourable House stands adjourned until 4 pm tomorrow, Tuesday, 25 October 2005.

**Agreed by majority:** At 9.14 pm the House stood adjourned until 4 pm Tuesday, 25 October 2005.



**OFFICIAL HANSARD REPORT**  
**TUESDAY**  
**25 OCTOBER 2005**  
**4.20 PM**  
*Eighth Sitting*

**The Speaker:** I call on the Honourable Minister responsible for Communication, Works and Infrastructure to say prayers.

of West Bay and the Honourable Second Official Member.

**PRAYERS**

**Hon. V. Arden McLean:** Let us pray.

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

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

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

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

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

**Proceedings resumed at 4.22 pm**

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

**Apologies**

**The Speaker:** I have received apologies for the late arrival of the Second Elected Member for the district

**PRESENTATION OF PAPERS  
AND OF REPORTS**

**The Financial Reporting Authority (CAYFIN)  
Annual Report 2004/2005  
(Deferred)**

**The Speaker:** Could I have a motion for the deferral of the presentation of this paper as the Honourable Second Official Member is going to be late arriving to the Legislative Assembly?

**Hon. D. Kurt Tibbetts:** Madam Speaker, I move for the tabling of the said document to be deferred until later on in this sitting.

**The Speaker:** So ordered.

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

**The Speaker:** I have had no notice of statements by Ministers and Members of Cabinet.

**GOVERNMENT BUSINESS**

**Debate on the Throne Speech Delivered by His  
Excellency the Governor on 10 October 2005; To-  
gether with the Budget Address Delivered by the  
Honourable Third Official Member  
10 October 2005**

*(Continuation of debate thereon)*

**The Speaker:** I call on the Honourable Leader of Government Business to wind up the debate on the Throne Speech.

**Hon. D. Kurt Tibbetts:** Thank you.

Madam Speaker, when I spoke earlier during this meeting I outlined the Government's policies. That document was entitled "Delivering on the Promises". I spoke about the 11 outcome goals that the Government will pursue both this year and over the following three years. I am absolutely certain it is not necessary for me to go over those broad outcome goals again.

I wish to deal specifically with some items regarding my Ministry which will allow Members to be clear with the accompanying Annual Plan and Estimates as regards to what His Excellency the Governor spoke generally to in his Throne Speech, giving some specific information which will fill the picture out.

Questions were raised by some of the Members across the floor regarding the cost of living, especially in the area of electricity rates, gasoline rates and insurance rates. I will just offer a few statistics and a broad outline as to where the Government is at present and what our intentions are with regard to those specific areas. I might as well look to these specific areas early in my debate, because, obviously, these are things that are pressing on the minds of the public. It is best at least for us to know the facts.

The Economic and Statistics Office has recorded the changes in rates of home insurance, electricity and fuel over the past six months. In June of this year, Madam Speaker, that office recorded the average home insurance rate per square foot using as a benchmark a concrete house with a shingle roof. That rate was \$21.21. In September of 2005, those rates had slightly dropped to approximately \$20 per square foot. This has to be compared with \$20.25 per square foot, recorded in March of this year. That was prior to the General Elections.

It is interesting to note that in September of 2004, just before Hurricane Ivan, the average cost of home insurance was \$8.50 per square foot. So the impact of the hurricane was significant, to say the least, on the local insurance market. It certainly placed the resources of local insurers under tremendous pressure. Ivan created losses to 30 per cent of the total insured values in the Cayman Islands. Industry projections were only for half of that to occur. As a result of this—and never before in my lifetime seeing that level of flooding—re-insurers have determined that rates must be increased to ensure better coverage.

We all know that insurance rates are subject to market forces. If there is any consolation in this, I am told that even with the passage of Hurricanes Katrina and Rita there should not be any further increases, although there may not be any tremendous reduction for a while. Against that background, we need to clearly understand that insurance rates in the Cayman Islands cannot be dictated by legislation. Even when the complaints rise to a level where you really do not have any answers for the people, it is still a fact that will not change.

You see, Madam Speaker, there is the mix of re-insurance into the whole affair. We have absolutely no control over those rates. In recent times I have gained a better understanding of the whole affair. It is just one of those almost essential items which the consumer simply has to either live with or without. I certainly wish that tangible results could be had by setting a ceiling for rates and such the like. However, it is impossible to do that. Given all of the facts, there

are so many things over which we have no control. What I say does not provide solutions, but, certainly, once there is competition there is hope that rates will go down and, God willing, no severe disasters in the very near future.

That is not to say that the Government simply sits and waits for whatever happens to happen. We are in discussions with the providers, and have with the benefit of a report which also has indicated some areas of tightening up that need to occur within the industry itself, which we will be addressing. At the same time, we will be making every attempt possible to see that all avenues are explored so that worldwide the best rates possible (especially for re-insurance) can be found because this will have a direct relationship with the rates to the consumer. It is unfortunate that it is not one of those situations over which the Government has control. It does not matter which government is here, it is simply a very difficult situation.

Also, we looked at fuel prices. In June of 2005 the price was \$3.70 based on the cost for a full-service gallon of regular gas. In September of this year the average fuel price was reported to be \$3.86 per gallon. In comparison, fuel prices were \$3.46 in March of this year, and \$3.26 in September of last year. Even since then, those of us who go to the pumps know that the price has risen, setting it at over \$4. I do not remember exactly what it is, but I know it is well over \$4, and perhaps approaching \$5, which is unheard of in our times.

Of course, we continue to remain an importer of all of our petroleum products and the price paid at the pump by all of us will be determined by the trends in the international crude oil market. Storms and other natural disasters that have ravaged oil wells in the Gulf do not help when it comes to that. Again, it is one of those factors where we really cannot set ceiling prices. However, Madam Speaker, allow me to quickly tell you what we are doing.

The two oil companies trading in the Cayman Islands have been here for extended periods of time. Both companies have Local Companies (Control) Law licences. The fact of the matter is, one of the disadvantages that we have as a country is literally allowing these oil companies to be able to engage both in wholesale and retail trade. That gives them full control of the market.

I talked about home insurance and now I am talking about gasoline and petroleum prices. As I go on we will see the relationship between them.

These are both Local Companies (Control) Law licences and both are due in the year 2011. It makes no sense for Government to wait until the year 2010 to begin talks with these people because they will use the same (I call it) trick they used the last time a battle was waged about gasoline prices; they simply threatened to pull out at the last minute.

Even with the best of will, for any other company to come in, it is going to take them quite some



time to set up any infrastructure to be able to provide the services that both of these companies provide. We intend to speak to them within a matter of a few months; we are simply gathering some facts. We have to say to them, *'Based on the terms and conditions of your Local Companies (Control) Law license, understand clearly that when they come due again do not expect to acquire a license allowing you to do X, Y and Z.'* That is the starting point that we are going to be talking from. However, we have to be talking to them from the point of view where they cannot pull this little trick that I spoke about. If they wish to do so, then we will simply have to invite others—who I am certain would be quite willing to come—to do what they wish with regard to trading.

You see, Madam Speaker, we have had a problem for years. We recognise it and we simply cannot allow it to continue. I have no compunction speaking about it because when I hear anyone, either from across the floor or in the public, accusing us of doing nothing, they need to know the facts. For instance, there is a pipeline running between those two oil companies, and when one of them runs out the other will lend to it. On many occasions the gasoline that is pumped from one brand name is the same gas that you go to buy from the next brand name.

Now, I cannot stand here and risk making accusations. However, to me (at 51 years old) that is the perfect scenario for collusion.

We are simply saying that we are all aware of that and we have to develop the means and ways to deal with it to benefit the consumer. It is not something where you can drive a heavy fist down on the desk and say, *'Either you do this or we do that'*; it is something that we have to go at for it to happen in a timely fashion. I say this in this public forum today so that the country will understand that we are doing something about it, but it is not something that you will see results in one or two months.

We have tasked senior technocrats with an information-gathering exercise to report to us in some two weeks from now with recommendations as to the way forward. As is our style, we are going to keep the public informed every step of the way. We certainly have to respect these business operations and not handle them in a manner that is unprofessional. At the same time, we have expectations from the public and we have to live up to the responsibility that we have. So there we are, moving in that direction.

Directly related to that is the electricity rates. I will not go into the specific details, but I will offer some statistics from the Economics and Statistics Office in relation to this.

We must remember that the fuel factor which obtains now with Caribbean Utilities Co. Ltd., is a very integral and important part of the formula for calculating the electricity bill that you pay at the end of every month. When you have these skyrocketing fuel prices, it has to affect your electricity bill. Granted, that is not the only thing that affects it but, certainly, no matter

what happens you are going to see the increases passed on. It affects the entire trade and commerce in your country because just about everything you do involves driving a vehicle or utilising some type of equipment which involves the usage of some petroleum products. If the grocery or trucking company usually pays \$2,000 for their gas bill, and all of a sudden they are up to \$3,000 a month, they will pass that on to the consumer. It just never ends is the point that I make.

The Government recognises the heavy dependence of the entire Island on fuel. It can be said that as fuel prices go so too goes the cost of living. Again, very shortly we will begin to engage in discussions with these suppliers with a view to coming to some point where there is relief. While there are things over which we have no control, there is nothing which dictates to us at present that their mark-up is reasonable or sustainable—we simply take their word. And it is not one of these things where you have 10 or 15 different operators and you can almost literally depend on the laws of competition to balance out the prices. That is not the case. As I said, I can make no accusations because I have no evidence, but, certainly, if ever there was a prime situation for collusion to occur or anything untoward of that nature, that is one of them.

The rates for electricity that I will make comparisons with here were calculated on the costs of consuming 200 kilowatt hours. Taking this into consideration, the statistics gathered by the ESO show that in June of 2005, consumers paid an average of \$55 for 200 kilowatt hours. In September of 2005 there was a slight increase to \$55.67 for 200 kilowatt hours. This can be compared to \$46.77 [paid in] March 2005, and in December 2004, \$43.10.

We see the continuing rise, but it certainly has not been the way it was expressed by the Third Elected Member for West Bay in his delivery when he spoke to some of these going up twice the amount and some of them going up thrice the amount. I can remember being in the Opposition and being chided for being irresponsible about loose statements. I understand what it is to be in the Opposition. I understand the points they wish to make; however, we have to deal with the facts. If there is any forthcoming remedy, it has to be done in an orderly, even if forceful, fashion.

I will address what was said, whether by innuendo or by direct statements, which purported some link between the Government, for instance, and CUC, that the Government was prepared to sit down and leave CUC to their own whims and fancies and the entire country would pay whatever that price is, no matter what it is. I am telling you and this country, that is not the case.

The rates are high. I just showed statistically that they are high in all three areas. I know that the consumers are hurting.

*[Inaudible interjection by the Leader of the Opposition]*

**Hon. D. Kurt Tibbetts:** But while we keep blabbing off about it . . . that will not bring about any answers.

**Hon. W. McKeeva Bush:** Yeah?

**Hon. D. Kurt Tibbetts:** With all of the mumblings going on and the relaxed atmosphere for the Opposition, because they do not have to address it—

**Hon. W. McKeeva Bush:** Ooh!

**Hon. D. Kurt Tibbetts:**—I am not afraid to stand and say the relief we all seek cannot happen over night. However, we will be working tirelessly at it because it is in the country's interest—not just mine!

If there is one thing I can say about this Government, Madam Speaker, without fear of favour or real contradiction, our actions, at all times have been, are, and continue to be, in the best interest of the country.

When the negotiations resume with Caribbean Utilities Co. Ltd., the Minister responsible—who is quite capable and experienced—will have his negotiating team. Once we keep achieving successes as we go along, the public will be kept informed. In some instances, you almost wish and choose not to say anything about certain things. However, at the risk of being called for tedious repetition, I say on behalf of the Government today that the high cost of living in this country is something that all of us feel; it is relative to every one of us. Whatever is physically possible, with as much innovation as is physically possible, the Government is going to deal with it.

I would wish no one tries to lead the public down the garden path to believe that the answers to these problems are answers that you can either create over night, or are staring you straight in the face and perhaps you do not want to do what has to be done. Nothing could be further from the truth.

When it comes to those pressing issues, we understand how it affects the economy. One of the important factors that we recognise is that it helps the disparity of wealth distribution along the way, and that is no good for any country. Those who have more and those who have less, is no good for any one of us. We know that!

Allow me to say one more thing before I move off the subject, Madam Speaker. If, given proper advice and discussions about any of these matters, legislation will bring about any assistance, we will legislate. But what we are not going to do is legislate for something which may seem beneficial in the immediate term and solve one problem while creating ten more for tomorrow. We will think this through and give people the opportunity to work with us. If they choose not to work with us, then we will look at whatever other alternatives we have as a country. It is as simple as that.

When the Governor outlined those 11 broad outcome goals he went into certain specific areas. The Third Official Member (who will be winding up the Budget Address) spoke about the broad fiscal policy of Government, as well as general terms of expenditure, income expenditure, and the other areas of fiscal responsibility of the Government. Some discussions have also taken place in here regarding several of the subject areas. In order to assist the discussion and debate in Finance Committee, I would just like to take a few minutes to highlight some of the subjects under my Ministry so that when Members are examining the Annual Plan and Estimates and the other Budget documents, they can easily relate the figures in there to the Government's broad policy and specific outcome goals.

My ministry is responsible for District Administration, among other things, and I would just like to speak a little bit about what is happening in Cayman Brac and Little Cayman.

After the passing of Hurricane Ivan, when the initial adjustments had been made, economic activities actually regressed in Cayman Brac and Little Cayman. There was no large-scale rebuilding of infrastructure and accommodation as was, and still is, happening in Grand Cayman. Tourism suffered in the immediate term because of the advisories sent out not to travel to the Cayman Islands. Thankfully, we are now emerging from that situation with some renewed hope and some rightful expectation that Cayman Brac and Little Cayman are, again, on the path of enhanced economic opportunities.

The Huntington School of Medicine, as we know by now, has been granted a licence to build and operate a medical school on Cayman Brac. The Cayman Brac community is excited about its positive impacts. We believe that this initiative will prove beneficial to all business sectors.

Notwithstanding all of the recent hurricane activity and the tremendous damage in the Gulf and the Gulf States, I am confident that the contractual negotiations of the ship-to-ship transfers will very shortly be completed. That, again, will be a boon for Cayman Brac and Little Cayman.

There is also renewed interest in the day-cruise visits with cruise ship passengers making excursions over for the day. The further development and the promotion of the unique features of Cayman Brac and Little Cayman leave us confident that this will provide some of the stimulus for positive growth—something that has long been hoped for by all.

I would like to briefly highlight just a few of the projects that the Government is presently pursuing in Cayman Brac and Little Cayman. As a matter of urgency, we are actively working to get the emergency lighting at the Edward Bodden Air Field in Little Cayman. For too long the matter has been put on the backburner. At the moment staff is reviewing the estimates we now have so that we can quickly make decisions about procuring and installing the lighting. I

believe it is quite safe to say that the matter will be resolved very shortly.

The Government has also earmarked Capital Development Funding in the 2005/6 Budget to deliver affordable housing in Cayman Brac. The Third Official Member's office is now putting the finishing touches on the business documents, along with the legal department, that will establish the not-for-profit company. It will be called the Sister Islands Affordable Housing Development Corporation (SIAHDC). As soon as the company is established, it will begin overseeing the development and construction of these concrete homes to be offered for sale to families that are eligible for the set criteria. Not only will this provide much needed affordable housing, but it is a double win because it will also provide some stimulus to the Cayman Brac economy.

Cayman Brac and Little Cayman are long in need of an overarching development plan that balances the interest of sustainable development, economic viability, and diversification, as well as capturing environmental and social issues. To do so will require participation from various sectors. To that end, I am happy to report that work is already underway to bring together agencies such as the Planning Department, the Development Control Board, District Administration staff, the Department of Environment, the Department of Tourism, the Cayman Islands Investment Bureau (CIIB), as well as other private-sector stakeholders as partners. Together, this working group will build upon work already done by the ad hoc committee on Sustainable Development for Cayman Brac and Little Cayman.

As of today, the working group plans to host a public forum in Cayman Brac in early December, with the purpose of addressing short-term measures regarding social development and tourism to help jumpstart the economy, as well as updating the public on some of the other work undertaken to establish an overarching plan for development in Cayman Brac and Little Cayman.

If we return to history we will remember that there has always been strong resistance to Cayman Brac and Little Cayman being tied into one development plan for all three. We respect that because we appreciate that both Islands are unique in their needs and their aspirations, as compared to Grand Cayman, so the approach is going to be one of inclusion where everybody will participate and claim ownership.

As I have mentioned on the floor of this honourable House already, recent events with certain developments have proven to the people, especially of Cayman Brac, that they cannot continue without having a specific and physical development plan for the country so that they can predetermine what type of development will take place in certain areas and that will not cause any distress to the residents of Cayman Brac. It is no longer how it used to be. Every inch of land now—including all the Bluff—is available for development. The question is: How do you want your

country to look 10 or 20 years from now? That is a concept being put forward which I am confident the people will buy into. I am also confident that as we move forward we will be able to see some good results.

With the expansion of economic stimulating activities, both Cayman Brac and Little Cayman will have taken a very long step forward in developing their full potential as wonderful places to do business and also to enjoy a warm and safe environment.

The Planning Department in Grand Cayman and the Planning Office in Cayman Brac are preparing themselves to meet the challenges of unprecedented development activity. Accordingly, the Planning Department will continue on a series of initiatives. Just quickly, to name a few: the department is now making significant investments in human resources. They are, as we speak, recruiting additional planners, building inspectors, plan examiners and also a compliance officer. They are also reorganising the structure of the department, and by January of next year they will also have increased the number of staff on long-term educational courses to five. That is not a part of the short-term plan, but part of the medium- and long-term plan which will equip staff to be more efficient in their various jobs. The department is also acquiring additional IT equipment and vehicles.

It is almost boring now, but there are so many impacts that Hurricane Ivan had on all of the operations of Government, just like it did in many areas in the private sector. The Planning Department was no exception. From vehicles, to premises, right down to people simply disappearing off of the job, the department has been faced with all of that over the past year and is working tirelessly to bring the staff complement up to where it should be to have the necessary equipment, including vehicles and properly trained personnel. Coupled with having to move to four different locations before finally finding a temporary/permanent home (if I may call it that) the department has also been faced with staffing issues, while at the same time dealing with unprecedented levels of applications because of all the activity in the construction industry and ongoing development.

The department is also embarking on a series of amendments to the Development Plan, the Planning Law Regulations and the Building Code. After some consultation there will very shortly be brought to this Legislative Assembly new legislation which will be aimed at registering builders, tradesmen and architects.

Madam Speaker, again, even when bad things happen, there are always lessons to be learned. Now more than ever it is obvious why certain tradesmen and skilled craftsmen simply have to be licenced. We have seen, especially since Hurricane Ivan, many people professing to be skilled in building and everything else. So many individuals have been shortchanged and actually robbed of their money without getting what was supposed to be provided for

those funds. These initiatives are designed to improve customer service, public safety and welfare, and decrease the Island's vulnerability to natural and man-made disasters that will allow the department to continue to play a key role in the development of the Islands.

We move on now to housing. The issue of housing in Grand Cayman requires urgent and dedicated attention on many fronts and at many levels. Truthfully, there is rarely a single day that passes when ministry staff (and it is not limited to my ministry but right across the board), do not get several calls from members of the public. The public is faced with a variety of housing issues ranging from complaints about increased rents, landlords neglecting to keep rental premises at an acceptable standard, people being thrown out and, in general, shortage of affordable rental accommodation in Grand Cayman.

As Members will be aware, the Board of Directors of the National Housing and Community Development Trust (NHCDT) have been meeting regularly to deal with several matters, including ongoing management and administration of the Trust, as well as developing policies and strategies to help guide the future of affordable housing in Grand Cayman. As acute as the need is, here we go again. Knee-jerk reaction is not going to solve the problem. We are doing everything we can to alleviate their problems. Very shortly I am sure that the recommendations that come forth will allow us to move forward with a sensible and worthwhile plan.

The Board of Directors of the Trust has a real daunting task ahead of it as it deals with a myriad of issues outlined in the recent Auditor General's Report. However, the Board of Directors is comprised of a group of professional individuals who take their responsibilities very seriously. While they are faced with serious and difficult decisions, I have total confidence that they will not shy away from them.

In addition to assisting to ensure that the people of Grand Cayman are housed affordably, the directors are duty bound to ensure they do so in a fiscally responsible and transparent manner. The Trust continues to work on an immediate short-term map of action which includes, among other things, improving collections, reviewing contracts, reviewing leases and agreements with clients, as well as preparing annual financial statements. Much of this work is on the heels of the Auditor General's findings and his recommendations.

No doubt, Hurricane Ivan caused our housing problem to escalate, but not all of these problems can be addressed by that newly appointed board. While Government will look to the Trust to provide sound advice on housing issues facing us in Grand Cayman, the Government is also taking action to develop legislation to protect the landlord and tenant relationship. The Second Official Member, with the resources of his technical staff, is preparing legislation and will shortly be making recommendations for us to bring legislation

to the Legislative Assembly. I also expect that we will be looking to private sector partners to help ensure that the rental market in Grand Cayman is not only kept at an acceptable standard but that it meets the demands of the residents of the Island.

Government office accommodation is another very important aspect of Government policy. It is no secret (again, especially in the wake of Hurricane Ivan) that the civil service is in dire need of new and dedicated government office accommodation. Having recently returned from meetings in the United Kingdom, I believe I can say with confidence that we can proceed with plans for new government office accommodation. We need to properly house government staff, as well as improve productivity and efficiency to avoid continuing to pay the high rents and enduring the inefficiencies created by having many government departments and agencies scattered about in various private rental accommodations.

In my ministry, Madam Speaker, we have a project manager who is dedicated to the task of helping the Government deliver office accommodation for the civil service. In the very near future, I hope to be able to give him instructions to proceed posthaste. In the meantime we are continuing with plans to install the fire escapes at the Glass House. I have been asked many questions about this, and we do agree that this is a problem that should not be allowed to continue for much longer.

If we take note of the Budget, if memory serves me right, there is some \$8 million allocated for lease arrangements for office accommodation for the Government. It is simple; that money is paid out of recurrent revenue every year and it will not go down until we have our own accommodation. Certainly, that amount is able to service any imaginable mortgage for whatever the needs are for office accommodation for the Government, even taking into consideration future planning. That is exactly what we intend to do.

I remember hearing Members of the Opposition speak to the Government engaging in borrowing. We are well placed with regard to knowledge on fiscal matters. We take advice from those who deal with that. But it does not take a CPA to understand that if you pay someone \$8 million a year to live in a house, you must be able to build your own house and take that \$8 million and pay off your mortgage in very short order. That is the way we will go about it.

I am confident that the borrowing limits will be able to be addressed, including the three-year fiscal plan outlined in the Strategic Policy Statement (SPS). Comparative figures in the annual plan and estimates will be seen.

I will quickly touch on the Department of Agriculture. Certainly, that department will continue to promote the economic prosperity via efficient, modern and sustainable agricultural production on the Islands. Attention will be given to activities that encourage the close weaving of social, economic, and environmental factors that will increase the quality and quantity of

safe, locally produced food. It will achieve better income for producers and enhance and protect the Island's natural environment.

Some of the key, strategic ownership goals for the Department of Agriculture in this fiscal year are to commence the rebuilding of the Farmers' Market at a new location, to complete construction of the abattoir facility here in Grand Cayman, and to continue capability building by training staff in the areas of animal control and welfare, aquaculture, general agriculture and accounting. We are also going to construct a plant propagation facility, as well as develop and design plans for a slaughterhouse and a butcher shop in Cayman Brac.

We will conduct project planning and design for the expansion of the storage and laboratory facilities at the Department of Agriculture in Lower Valley. There will also be the pursuit of farm road development both here in Grand Cayman and in Cayman Brac. We are also looking to develop the mission, the objectives and the strategies for a five-year strategic plan for the Department of Agriculture.

Madam Speaker, the department is also actively working with the Agricultural Society and the farmers to support the 40th Annual Agriculture Show, scheduled for 1<sup>st</sup> March next year, by providing assistance in the form of a secretariat, as well as providing technical expertise. Also, certainly not to leave out Cayman Brac and Little Cayman, the department is also going to be assisting the Sister Islands Agricultural Committee with their show, which will be held in Cayman Brac on a date that is to be announced.

The Mosquito Research and Control Unit (MRCU) recently completed the construction of a new operations building, and during this fiscal year it will complete the construction of the new laboratories and offices. These facilities will greatly improve the department's operational and research capabilities. Work will also begin on a new hangar, replacing the previous structure severely damaged by Hurricane Ivan. Also very soon, the department will take delivery of two new aircraft custom built to MRCU's specifications.

A scientific investigation to determine the residual effects of pesticides in the environment will be initiated by MRCU's research section, utilising the newly acquired laboratory equipment. DNA analysis will also be used to detect the presence of mosquito-borne diseases such as Dengue Fever and West Nile Virus. The most progressive approach available to combat mosquitoes (that is, the application of pellets to prevent mosquito emergence) will be maintained and actually expanded during 2006. Despite the interruption to this program caused by Hurricane Ivan, this technique will now become the mainstay of mosquito control efforts here in the Cayman Islands.

The new facilities and sustained funding for preemptive controlled strategies will enhance MRCU's ability to support Cayman's tourist economy and also

to protect residents and visitors against mosquito-borne disease.

The Lands and Survey Department will continue to strive to provide a full spread of high-quality land mapping and survey-related services product. A great many new initiatives will become active this year. They will include the production of a new updated street atlas of the Islands; there will be additional resources introduced in the Land Registry in order to reduce the turnaround time in the issuance of new parcel numbers, and that will be welcomed by many.

The department will also undertake a full hydrographic survey of all three Islands in order to assist with the provision of a computerised storm model by the Emergency Management Agency. This is absolutely of vital importance so that you will know where your flood-prone areas are when it comes, among other things, to mitigation and disaster preparedness.

There will also be the extension of the GPS coverage to the eastern end of Grand Cayman, allowing for national coverage. The review of the portfolio for current mapping products with a view to substantially increasing the quality and the revenue generated from the same. There will be an increase in revenue generation in the provision of services and products available via the website. The marketing of the geographical information system (the website itself) will be re-launched with added functionality. So the departments are moving on.

With regard to the Chief Petroleum Inspectorate, that too is a very active one-man show. The office of the Petroleum Inspectorate continues to inspect wholesale and retail sites as a condition of obtaining operating permits at locations handling and storing dangerous substances. The Dangerous Substances Handling and Storage Board will continue to be responsible for issuing operating permits for workplaces and permitted vehicles that are subject to the Dangerous Substances Handling and Storage Law 2003.

The Petroleum Inspectorates' offices are members of the Emergency Response Teams. As such, they ensure that all critical sites, such as shelters, are supplied with fuel for their generators in the event of any national or natural disaster. This office is not only responsible for natural disasters but also for petroleum spill response as required by the same Dangerous Substances Handling and Storage Law.

This gives some insight into some of the subjects my ministry deals with.

In winding up, let me just say that as His Excellency's Throne Speech and the policy statement outlined, accompanying the Budget Address by the Third Official Member, the Government has stuck to its plan. We have crafted a Budget which allows for the continuation of worthwhile projects, the startup of many new and needed projects, we have taken the advice of the technocrats with their projections for revenue, and we have set about our objectives within those limits.

The one area that I mentioned in my delivery which is not included in the Annual Plan and Estimates is the government office accommodation. As I explained, the only reason why that is not mentioned is because we are intending to deal with it as a stand-alone item. It requires no new funding to be able to service any loan that might be had. It is simply a matter of deciding what portion of the money we now pay for rent, will service a mortgage.

While we were in London there was a close call again—not Hurricane Ivan this time, but Hurricane Wilma. Even though it was not a direct hit, because of the force of the hurricane itself, even after we arrived back we saw what looked ... I do not know whether we would call it a southwester or northwester or whatever. However, the south coast, along with the harbour going down along the West Bay Beach had some storm surge that was more than what we used to call a heavy nor'wester. I understand that what we saw was but the tail end of it.

One of the areas that was greatly affected was the area of Savannah where there was that gully. I daresay without going into great detail, I am sure, Madam Speaker, you had some anxious moments yourself because of your daughter, her husband, and your grandchildren living in that area.

I remember a few years ago (the Minister of Communications and Works reminded me I believe sometime in 1999 or perhaps 1997) when a Private Members' Motion was brought. I think it was the former Minister of Education and I who brought the Private Members' Motion asking for some type of study to be done with a view to determining what physically caused this phenomenon for the storm surge in close proximity to the Pedro Castle area for it to come through that gully. It must be miles that it travels because, as far as I know, it went all the way down into Newlands and flooded houses in there.

While physically nothing has been done thus far, in collaboration with the Ministry of Communications and Works, the Government will be looking at this problem with a view to finding some means to mitigating future damage. Left like that, even though the experience of Ivan did not cause as much damage as Wilma in that specific area, because of the actual water coming through the gully, Wilma was probably the worst that we have seen it. It goes to show that we can look to more of the same in the future and we simply cannot just forget about it until the next time around, then cry over it and go on again.

We will be looking at the crosswalks at the Savannah Primary School (also in that area), as well as all of the schools for that matter, so that we can at least build some consciousness among the drivers.

There is great concern with all of those schools in the school zones where they have the flashing lights at certain times. People just do not seem to remember, and all of us are fearful of some tragic accident happening one of these days. So we will be looking at those issues. I cannot stand here

and tell the people in the Savannah area what the answer is; but, certainly, we will be looking at what the options are with regard to dealing with that.

I will not take the time this evening to pour accolades on the Government for the prudent and sensible Budget being produced. His Excellency is departing on Friday, as we all know. Today was our last day of Cabinet with him. Seemingly, there are some of us here who are happy that he is leaving. Even with the difficult times he may have faced on occasion as being Her Majesty's representative as well as head of state, I have to say that I found him to be not only a good gentleman but an honourable one. Based even on our last sojourn to London at the Overseas Territories Consultative Committee meeting, it was obvious that his continuous communication with London on behalf of the Cayman Islands outlining the various and specific issues which we face, helped to pave the way for much of the discussions we were able to have.

So I can only say that I wish him and his lovely wife, Miss Emma, God's speed. From all indications, they will actually be retiring so we wish for them a long and happy retirement. I am certain I can say that on behalf of the people of the Cayman Islands this afternoon.

I look forward to the Third Official Member's windup, and we will prepare for Finance Committee tomorrow morning. I am not 100 per cent sure, but we might have to resume the Legislative Assembly first thing tomorrow morning, just in order for a statement to be made, if that is the desire of the honourable Member. I do not know that to be a fact yet. If that is the case, and we do have to resume, it will only be for that statement, then we will go straight into Finance Committee and hopefully be able to conclude within two days. I will be making arrangements with the Third Official Member to decide from now who will be first so that we do not have any hiccups in the process.

I look forward to safe passage of the Appropriation Bill and to the Government being able to continue on its path of enhancing these wonderful Cayman Islands.

Thank you.

**The Speaker:** Before I call on the Honourable Third Official Member to windup the Appropriation Bill, Madam Clerk, can we take the report of the Honourable Second Official Member at this time, please?

## PRESENTATION OF PAPERS AND OF REPORTS

### The Financial Reporting Authority (CAYFIN) Annual Report 2004/2005

**The Speaker:** The Honourable Second Official Member.

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

I beg to lay on the Table of this honourable House the Annual Report for the Financial Reporting Authority for the period 2004/2005.

**The Speaker:** So ordered. Does the Honourable Member wish to speak thereto?

**Hon. Samuel W. Bulgin:** Thank you, Madam Speaker, just briefly.

The Proceeds of Criminal Conduct Law (PCCL) (2005 Revision) stipulates in section 30 that the Director of the Financial Reporting Authority (FRA) shall **“prepare and submit to the [Anti-Money Laundering] Steering Group on or before the 30<sup>th</sup> September in each year an annual report reviewing the work of the Reporting Authority and containing such other information as the Steering Group in its discretion shall require.”**

The Law further provides in section 23 that the Reporting Authority **“shall collect, compile and annually publish, in such manner as the Reporting Authority shall determine, statistical information relating to—**

**“(i) disclosures made to the Reporting Authority concerning proceeds of criminal conduct, suspected proceeds of criminal conduct, money laundering...”** et cetera;

**“(ii) any onward disclosures of such financial information by The Reporting Authority.”**

As I mentioned, the Report before this House is for the period ending the 30<sup>th</sup> June 2005. The Authority, as we all know, was established in law on the 12<sup>th</sup> January 2004.

The Report contains useful reference tables showing comparison activity for the period 2001 to 2004/2005, and is presented in four parts; namely, reporting activity review, details of the work of the FRA, the organisation, and the strategic priorities for the year ahead, that is, 2005/2006. These priorities include ensuring that the statutory obligations continue to be met in a timely and efficient manner in accordance with its Mission Statement, which includes serving **“the Cayman Islands by participating in the international effort to deter and counter money laundering and the financing of terrorism.”**

In this regard, the Report should be of interest not only to law enforcement interests locally and overseas, but also the general public. Madam Speaker, I therefore now hand over a copy of the Report to be laid as directed.

Thank you.

**The Speaker:** The debate on the second reading of the Appropriation (July 2005 to June 2006) Bill, 2005 has been concluded. I now call on the Mover to exercise his right of reply.

The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

In making my windup contribution in respect of the Appropriation Bill for the current financial year, I shall concentrate purely on the financial issues raised by honourable Members.

I will start with some of the issues raised by the Leader of the Opposition. He asked if the Budget put forward by the PPM Administration can be sustained, and can the revenue projections be realised?

The 2005/6 Budget is based on robust revenue and expenditure forecasts from all ministries' portfolios, statutory authorities and government companies. As a part of this year's budget process, all government agencies prepared detailed budgets focused on setting realistic targets which take full account of the operating environment that agencies find themselves operating in during 2005/6.

As a result, the Government has every confidence that the projected revenue forecast for the current 2005/6 year will be realised. The 2005/6 Budget does not include any new revenue measures beyond those announced for the Mutual Fund sector. The point of mentioning this fact is to say that the absence of significant new revenue measures for the current year would, in fact, suggest that the current year's revenue projections are realistic.

Another way of addressing whether the revenue forecast for the current year is realistic or not would be to compare those revenue forecast for the current year with those of the previous year. When we do that we see in the Annual Plan and Estimates on page 296 the operating statement for the Government. It shows that the total operating revenue that the Government forecasts to receive in this current financial year is \$380.2 million.

When we compare that with the revenue received in the previous financial year, that figure was \$370 million. The current year's projections for revenue are only \$10 million more than the actual revenues collected in the previous year. That, I would submit, is an indication that the current year's revenues are realistic.

The Leader of the Opposition also posed a question as to whether the Budget addressed the long-term needs of the country. Pages 11 to 15 of the Annual Plan and Estimates outline the key policy actions that the Government will take to achieve its 11 broad outcomes. It is these actions which will set forth the foundation for a secure future for the Cayman Islands.

Some of the major fiscal policy actions contained in the current Budget are as follows:

- \$14.9 million is budgeted to commence the construction of new schools and enhance facilities, as well as the redevelopment of some existing schools. This will ensure that the Cayman Islands has the necessary infrastructure to deliver a world-class education service to its children for many years to come;

- there is also proposed a \$12 million equity injection to the Health Services Authority to bring financial stability to the organisation, thereby allowing it to continue to provide high quality health services;
- there is a proposed \$10.4 million investment in road infrastructure and road construction;
- there is \$3.5 million proposed spending on new assets in the noble cause of fighting crime.

There was another comment from the Leader of the Opposition that the current year surplus of \$3.3 million was relatively small in comparison to the previous year's surplus, which was \$25.5 million. He posed a question as to why the current year's surplus of \$3.3 million was relatively small in relation to the previous year.

The previous year's surplus is estimated to be, in fact, \$25.5 million. That is as a result of a unique set of circumstances in connection with Hurricane Ivan, the magnitude of which is not expected to persist and to continue in the current year. Therefore, many government departments had to cancel and delay in the previous year, or scale down their services in order to concentrate on general recovery efforts. These actions would have caused the agencies to realise expense savings during the previous year, and those savings would have helped to partially offset increases in other agencies more heavily involved in hurricane recovery activities.

On the revenue side, coercive revenues were significantly higher in 2004/5 than they are expected to be in the current year because, we submit, the volume of activity in relation to Hurricane Ivan recovery efforts would have peaked and would have been significantly higher in the previous year than in the current year. Those are some of the reasons why the current year's forecasted surplus is less than what was experienced in the previous year.

The Leader of the Opposition undoubtedly raised other points as well, and I believe those were adequately addressed by previous speakers.

The Second Elected Member for West Bay also raised a number of points, one being what Government was doing about office accommodations for the civil service. The Leader of Government Business spoke on that particular topic just before the Second Elected Member for West Bay entered the Chamber, so he may have missed some of the points in connection with this particular topic. Suffice it to say that the Government is committed to providing appropriate office accommodations for the civil service. Significant effort has been and will continue to be put into planning and costing the office accommodation project.

As the Leader of Government Business stated, when we visited the United Kingdom last week, the matter was discussed with the Foreign & Commonwealth Office. We outlined that, given the Government's present plans with regard to capital expenditure stated in the Annual Plan and Estimates, in

future years (not this current financial year) the Government would expect to arrive at a point which was close to the limits specified in the borrowing ratios. We were open and stated that we certainly wished to pursue the office accommodation building, but if we did, the effect of that pursuance would cause the project to push us over the limits. We sought the UK's position in response to the Cayman Islands going above the borrowing limits. So that scenario was put to them.

When we put that case to them, the response from the Foreign & Commonwealth Office was that if there was a good business case for the project proceeding, the United Kingdom would certainly look favourably upon giving its consent for the project to proceed. The Honourable Leader outlined that the Government, at present, is paying a substantial amount to private-sector landlords for government agencies being accommodated within the private sector. The obvious good business case would be that these payments could be used for more than making payments in respect of the Government's own accommodation building. That is the position on that particular aspect, Madam Speaker, and the Government will therefore pursue the matter with determination.

The Second Elected Member for West Bay also asked why the revenue from garbage fees was increased from \$2.9 million in the 2004/5 year to \$4.2 million in the current year's Budget projections? The figure of \$2.9 million was understated. The more accurate figure for the 2004/5 year is \$4 million in respect of garbage fees. So the revised figure for the previous year (\$4 million) puts the current year's forecast of \$4.2 million in a favourable light in relation to the previous year's actual figure.

The Second Elected Member for West Bay queried the value of projects considered by the Central Planning Authority. I can respond by saying that, between 1 July 2005 and just yesterday, 24 October, the Central Planning Authority considered projects valued at roughly \$212.3 million.

The Second Elected Member for West Bay stated a number of other points in relation to the Financial Services and the Economy. He basically wanted to know where we were going. Specifically in relation to financial services, my response to the honourable Member's query is best addressed as follows:

The Government has established the Financial Services Council. The purpose of that is to establish for Government's consideration policy positions in respect of initiatives that affect the financial services sector. Therefore, the establishment of the council tasked with the responsibility of policy development is certainly a step to addressing where we wish to be in respect of financial services and where we are going in respect to our economy. The council has met a number of times already, and those meetings are set to continue.

Consultation in relation to financial services is another means of addressing the comment made by the Second Elected Member [for West Bay]. The



Government believes in and practices consultation with the private sector. In relation to financial services, this is done via the Private Sector Consultative Committee (PSCC). Again, consultation with the private sector has a direct bearing on the point raised by the honourable Member knowing where we are going to.

I use the example in the current year's Budget of the Mutual Fund sector increases. Before the Government took the step of proposing that increase of \$500, it actually consulted with the Mutual Fund sector and got the blessing of the sector before proceeding to implement the increase, which is due to take effect on 1 January 2006.

The fact that the Government has kept the level of fees applicable to the financial services largely unchanged, with the exception of the Mutual Fund fees, allows the sector to flourish. Again, taking care in setting fee levels that pertain to the sector will help us in knowing where we are going to, which is the point that the honourable Member raised.

The Government has, for the first time, tasked the Minister of Education with responsibility for considering initiatives that could affect the financial services sector. This development helps us to address the important goal of knowing where we are going to.

Another point made by the Second Elected Member for West Bay was where the economy, as a whole, is headed. One particular aspect of the Strategic Policy Statement accepted by this honourable House in August, which formed the foundation for the present Budget, indicates certain estimated growth rates as follows:

- The economic growth rate that is estimated for the 2005/6 financial year is 5.4 per cent.
- For the 2006/7 financial year the growth rate is projected to fall slightly to 3.7 per cent.
- For the 2007/8 year the growth rate is projected to be 3 per cent.

This is an indication of where the Government expects the economy to be.

The Second and Third Elected Members for West Bay both made extensive comments on the level of proposed borrowing by the Government. The question was posed as to whether those proposed levels of borrowings were affordable.

There was also substantial comment on the impact of cash balances on borrowings, and the point was made that with the high level of cash left in place by the previous administration the borrowing level ought to have been, perhaps, lower than it is in the current Budget. I address that particular comment by making a number of points.

Firstly, the cash balances at the start of this financial year include restricted funds such as the Environmental Protection Fund, the Infrastructure Development Fund and General Reserves. These funds are subject to conditions that must be satisfied and approved by the Legislative Assembly before they can

be spent. Therefore, it is faulty to suggest that these funds are immediately available for spending and are therefore able to reduce borrowing levels. That is not the case.

Just as an indication of how significant the restricted funds are as a proportion of the overall cash balances, at 1 July 2005, the Environmental Protection Fund had a balance of approximately \$10.8 million; the Infrastructure Development Fund had a balance of approximately \$2.2 million; and General Reserves stood at a level of \$37.3 million. If we were to sum those three particular funds, the total would be \$50.3 million.

The point here is to say that, yes, while the cash reserves at the start of the current financial year were substantially high, not all of those funds could be used immediately for spending and therefore reduce the level of borrowings. That is the point, Madam Speaker.

Secondly, even if the Government was able to do so, it cannot spend all of its existing cash balances because the principles of responsible financial management stated in the Public Management and Finance Law require that the Government must maintain a minimum cash level at the end of its financial year. So for the 2005/6 year Government must have cash reserves or cash balances that can maintain 45 days of expenditures. This 45 days of expenditure approximates to \$45 million, which is the minimum required cash balance that the Government has to have in order to comply with those principles as at 30 June 2006.

In relation to the \$45 million balance, the Government is anticipating having \$73.1 million at the end of June 2006. Therefore the Government cannot spend all of its existing cash balances before turning its attention to borrowing.

The third point is that the approach adopted by this current administration is not entirely different from the approach adopted by the previous government. Indeed, because the previous government did not use up all of its existing cash before turning to borrowing, it meant that there was sufficient cash balances on hand to help in the Hurricane Ivan recovery process.

Madam Speaker, the Leader of the Opposition has asked that I repeat that comment and I will do so quickly: I was making the point that because the previous government did not use up all of its existing cash before turning to borrowing it had sufficient cash on hand to help in the Hurricane Ivan recovery process as opposed to having to try to go out and borrow in order to assist that process. So the point being made is that the approaches adopted by the previous government and the present one are consistent and not substantially different.

The previous administration also sought and obtained borrowing appropriations, even though it had significant cash balances. For example, at the start of the previous financial year (1 July 2004) the total cash

balance available to the previous government was \$85.5 million. Yet, even with that high level of cash, the previous government chose and obtained an appropriation for borrowing of \$62 million in the 2004/5 financial year, that is, the previous year.

Fifthly, I would make the important point—

*[Inaudible interjection by Leader of the Opposition]*

**Hon. G. Kenneth Jefferson:** Madam Speaker, I make the important point that it must be appreciated that Government will only borrow when it is absolutely necessary to do so, as Government's fiscal strategy will always be to use revenue and existing cash balances where this is feasible to do so. By "feasible to do so" I have my mind particularly on the points made previously about having to maintain previous cash balances, et cetera. Where this is feasible to do so the Government will use revenue and existing cash balances in the place of borrowing.

As an example, the Government has the ability to borrow up to \$47 million within a four-month period, July to the end of October. Members will recall that the Pre-Appropriation Budget that was passed for the four months gave the Government an ability to borrow \$47 million. To date, none of that \$47 million the Government has the ability to borrow has, in fact, been drawn down.

The question was also raised (again, on the same topic of borrowing) as to whether the borrowing levels are affordable. Comments were also made about the absolute level of proposed borrowings in the current financial year, and that absolute level is \$63 million. We should examine the current year's proposed borrowing of \$63 million in relation to the previous financial year.

In the financial year ending 30 June 2005 (the previous year), the previous government had a borrowing appropriation of \$62 million. In June 2005, \$15 million of that facility was drawn down. At the start of this current financial year (1 July 2005), \$47 million of that facility was still available. That is, of the \$62 million that was appropriated only \$15 million was drawn down in June 2005, leaving the \$47 million of the facility still available for drawdown.

It is that \$47 million that then found itself in the Pre-Appropriation Budget that the House approved back in June of this year.

Therefore, with \$47 million of un-drawn borrowings at 1 July 2005, the current year's proposed borrowing is only \$16 million more than the un-drawn facility at the 1 July 2005.

The proposed borrowing in this financial year, Madam Speaker, of \$63 million is not significantly different at all from the appropriated borrowing levels in the previous financial year, which stood at \$62 million. So there is only a difference of \$1 million in the borrowing levels between this year and the previous year.

The affordability of the proposed borrowing—

*[Inaudible interjection by Leader of the Opposition]*

**Hon. G. Kenneth Jefferson:** —for the current financial year is best judged by reference to the principles of responsible financial management. Madam Speaker—

*[Inaudible interjection by Leader of the Opposition]*

**The Speaker:** Please stop the cross-talk and allow the Honourable Financial Secretary to complete his windup.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

The Annual Plan and Estimates indicate, in respect of affordability of borrowings, that there is full compliance with those principles. So the level of proposed borrowings is, indeed, affordable.

Considerable comment was also made on the need to introduce revenue measures to support infrastructure development plans put forward by the Government. The advice given by Members of the Opposition was that Government needs to be careful in the implementation of revenue measures so that the measures do not spiral inflation.

The revenue measures as hinted at by the Members of the Opposition are, indeed, desirable to keep borrowing levels within affordable limits. The Government will pursue revenue measures in a sensible and consultative manner, just as it did when the Mutual Funds fee increase of \$500 was done for the current year's Budget.

The Government fully acknowledges that there is a need for revenue measures to help finance Government's infrastructure plans. Additionally, Government will consider revenue measures in a careful and methodical manner. The Government has already programmed (if I can use that word) the need for revenue measures in future years' budgets, so the Government is well aware of the way forward in its need to finance its infrastructure plans.

The Third Elected Member for West Bay made a mistake that I would like to correct. Speaking earlier to the Leader of the Opposition, he, in fact, said that the Third Elected Member [for West Bay] did, indeed, correct the mistake. Nonetheless, I would like to restate, certainly for the records, the particular point that I wish to make.

The Member stated that the surplus for the previous year was \$80-plus million. This is the mistake. The \$80-plus million referred to by the Member was, in fact, the *cash* position at the 30 June 2004. The *surplus* in the previous financial year is estimated to be \$25.5 million.

The correction that I have just made is not meant to belittle the point made by the Member. The Member was making the point to say that favourable cash balances should have an impact on the level of borrowings, and I have previously addressed this point.

In nearing the end of my contribution, I say that this is a Budget that allocates resources to the Government's highest priority outcomes. It is a Budget that addresses the needs of today while preparing for the needs of the future. It is a Budget that recognises the differing circumstances of the three Islands and allocates resources accordingly. It is a Budget that supports the economy, particularly the key sectors of financial services and tourism that drive the economy. It is a Budget that is fiscally responsible, it complies with both the Government's fiscal strategy and the principles of responsible financial management set out in the Public Management and Finance Law.

I can honestly say that the level of debate has occurred at a mature and dignified manner and it bodes well for the future activities in this honourable House. Yes, there were some crossfire skirmishes between both sides of the House, but these were properly resolved, often with your help and guidance, Madam Speaker.

The Government thanks all Members for their contributions to the debate. Although there has been rebuttal on many of the points made, the messages and points of wisdom have been taken on board and have been retained by the Government. I would therefore urge all Members to support the Appropriation (July 2005 to June 2006) Bill, 2005.

Thank you.

**The Speaker:** The question is that the Appropriation (July 2005 to June 2006) Bill, 2005, be given a second reading.

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

**Ayes.**

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

**Agreed. The Appropriation (July 2005 to June 2006) Bill, 2005, given a second reading.**

**The Speaker:** That concludes the business. I will entertain a motion for the adjournment.

## ADJOURNMENT

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. Just to crave your indulgence and quickly advise all Members that tomorrow morning we will resume Finance Committee. So that Members can be prepared, the first subjects to be taken will be the Portfolio of Internal and External Affairs; then the Ministry of Education; the Ministry of Tourism; and, finally, the Ministry of Communications, Works & Infrastructure.

Accordingly, I beg to move the adjournment of this honourable House until the conclusion of Finance Committee proceedings.

**The Speaker:** The question is that this honourable House do adjourn until the completion of the Finance Committee's proceedings.

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

**Ayes.**

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

**Hon. D. Kurt Tibbetts:** Madam Speaker, just again for Members' knowledge, Finance Committee will resume at 9 am tomorrow morning. Thank you very much.

**At 6.16 the House stood adjourned until the conclusion of the proceedings in Finance Committee.**



**OFFICIAL HANSARD REPORT**  
**FRIDAY**  
**28 OCTOBER 2005**  
**3.01 PM**  
*Ninth Sitting*

**The Speaker:** I call on the First Elected Member for Cayman Brac and Little Cayman to say Prayers.

Her Majesty Queen Elizabeth II, her heirs and successors according to law, so help me God.

**PRAYERS**

**Mrs. Juliana Y. O'Connor-Connolly:** Let us pray.

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

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

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

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

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

**Proceedings resumed at 3.03 pm**

**ADMINISTRATION OF OATHS  
OR AFFIRMATIONS**

**OATH OF ALLEGIANCE**  
*(Mr. Donovan W. F. Ebanks)*

**Donovan W. F. Ebanks:** I, Donovan Ebanks, do swear that I will be faithful and bear true allegiance to

**The Speaker:** Mr. Ebanks, I welcome you, once again. I think I have welcomed you more than any other Member as an acting Temporary First Official Member to this Parliament. However, I assure you before I leave this office we will make a change so that we are not being sworn every time we come here.

You can now take your seat.

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

**Condolences**

**The Speaker:** Before I offer apologies for absence, I would like to record the condolence of this Legislative Assembly to the Honourable Leader of the Opposition and his family on the passing of his step-father.

**Apologies**

**The Speaker:** I have received apologies for absence from the Honourable Leader of the Opposition, the First Elected Member for West Bay and from the Second Elected Member for Cayman Brac and Little Cayman.

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

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

**GOVERNMENT BUSINESS**

**BILLS**

**REPORT ON BILL**

**The Appropriation (July 2005 to June 2006) Bill,  
2005**

**The Speaker:** The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

I report that a Bill entitled the Appropriation (July 2005 to June 2006) Bill, 2005, was considered by the Standing Finance Committee of the Legislative Assembly and passed with the following amendments:

Appropriations to the Minister of Tourism, Environment, Investment and Commerce. The following revisions were made: references to "CAA 1" and "CAA 3" were deleted and, respectively, "APA 1" and "APA 3" were inserted in their place.

Appropriations to the Minister of Communications, Works and Infrastructure. Executive Assets, "EA 11" Connector Highway for \$960,000 was deleted and replaced by "EA 11" Connector Highway for \$500,000, a reduction in the amount.

"EA 12" Anton Bodden Road, \$200,000, was deleted and replaced by "EA 12" Road Resurfacing: Shedden Road, \$230,000.

"EA 14" Roundabout Reconstruction: Elgin Avenue, \$900,000, was deleted and in its place was substituted "EA 14" Roundabout Reconstruction: Elgin Avenue, \$700,000.

"EA 31" Road Reconstruction: Clarinda Bay for \$550,000 was deleted and in its place was substituted "EA 31" Road Reconstruction: Clarinda Bay, \$480,000, again, a reduction in the monetary value.

"EA 32" Road Reconstruction: Colliers Road for \$410,000 was deleted and in its place was substituted "EA 32" Hotmix Overlay: Eastern Districts and Seawall at Iron Shore Gardens for an amount of \$1,418,000.

"EA 33" Road Reconstruction: Marina Drive, \$351,000, was deleted and replaced by "EA 33" Road Reconstruction: Marina Drive \$265,000, again, a reduction in the amount.

"EA 34" Road Reconstruction: Seymour Road for \$250,000 was deleted and replaced by "EA 34" Road Reconstruction: Seymour Road \$245,000.

"EA 35" Road Reconstruction: Iron Shore Garden, \$740,000, was deleted and in its place was substituted "EA 35" Traffic Calming Project, \$75,000.

"EA 36" Miscellaneous Road Surface Upgrades, \$390,000, was deleted and substituted in its place was "EA 36" Miscellaneous Road Surface Upgrades, \$388,000.

Madam Speaker, the following items were inserted into the schedule of the Bill:

- "EA 61" National Road Project, \$250,000.
- "EA 62" Storm Water Drainage Project, \$100,000
- "EA 63" Central Business District Project, \$100,000

Madam Speaker, it is important to point out that, although there have been changes, the net effect of those changes is that the monetary value nets to zero. So there is no overall increase in the Appropriations that were sought and approved by Finance Committee.

Appropriations to the Minister of District Administration, Planning, Agriculture and Housing. One item was inserted onto the schedule: "OE 52" Settlement of claims for an amount of \$454,000.

With your permission, Madam Speaker, I beg to lay on the Table of this honourable House the Report of the Chairman of the Standing Finance Committee on the Appropriation (July 2005 to June 2006) Bill, 2005.

Thank you.

**The Speaker:** Honourable Third Official Member, I think you are laying the Report of the Standing Finance Committee and not the Report of the Chairman of the Finance Committee. Am I correct?

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

**The Speaker:** So ordered.

The Bill has been duly reported and is set down for the third reading.

### THIRD READING

#### **The Appropriation (July 2005 to June 2006) Bill, 2005**

**The Speaker:** The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

I beg to move that a Bill entitled The Appropriation (July 2005 to June 2006) Bill, 2005, be given a third reading and passed.

**The Speaker:** The question is that a Bill shortly entitled The Appropriation (July 2005 to June 2006) Bill, 2005, be given a third reading and passed.

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

**Ayes.**

**The Speaker:** The ayes have it. The Appropriation (July 2005 to June 2006) Bill, 2005, has been read a third time and passed.

**Agreed. The Appropriation (July 2005 to June 2006) Bill, 2005 given a third reading and passed.**

**The Speaker:** That concludes the business of the order of the day. Before I call on the Honourable Leader of Government Business to move the adjournment, I would just like to inform the House I will be off Island next week on official business. I will be leaving the House in very capable hands of the Deputy Speaker. Also, with me will be the Honourable Minister of Education, the Honourable Minister of

Communications, Works & Infrastructure and the Honourable Minister of Tourism.

The Honourable Leader of Government Business.

## ADJOURNMENT

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. After consulting with the Acting Temporary First Official Member, the other Bills that are on Business Paper No. 5 are all consequential to the Public Service Management Bill and it is necessary to give the Member ample time to prepare his speaking notes and familiarise himself since the Honourable First Official Member is now the Acting Governor. As a result, I beg to move the adjournment of this honourable House until next week, 4<sup>th</sup> Friday at 10 am.

**The Speaker:** The question is that this honourable House do now adjourn until Friday, 4<sup>th</sup> November, at 10 am.

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

**Ayes and one audible No.**

**The Speaker:** The Ayes have it. This honourable House now stands adjourned until Friday 4<sup>th</sup> November at 10 am.

**At 3.14 pm the House stood adjourned until 10 am Friday, 4 November, 2005.**





**OFFICIAL HANSARD REPORT**  
**FRIDAY**  
**4 NOVEMBER 2005**  
**11.07 AM**  
*Tenth Sitting*

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

**The Deputy Speaker:** I will invite the Honourable Leader of Government Business to grace us with Prayers.

**PRAYERS**

**Hon. D. Kurt Tibbetts:** Let us pray.

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

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

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

*The Lord bless us and keep us. The Lord make His face shine upon us and be*

*gracious unto us. The Lord lift up the light of His countenance upon us and give us peace, now and always. Amen.*

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

**Proceedings resumed at 11.09 am**

**ADMINISTRATION OF OATHS  
OR AFFIRMATIONS**

**OATH OF ALLEGIANCE**

*(Ms. Cheryll M. Richards)*

*[microphone not turned on – Oath inaudible, but administered]*

**The Deputy Speaker:** Ms. Richards, on behalf of this honourable House I welcome you as a Temporary Second Official Member and I invite you to take your seat.

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

**Apologies**

**The Deputy Speaker:** I have received apologies for the absence of the Honourable Speaker of the Legislative Assembly, the Honourable Minister of Education, Training, Employment, Youth, Sports and Culture, the Honourable Minister of Communications, Works & Infrastructure, the Honourable Minister of Tourism, Environment, Investment and Commerce and the Honourable Second Official Member responsible for the Portfolio of Legal Affairs. Those Members are all overseas on official business.

I also received apologies for the absence of the Honourable W. McKeever Bush, Leader of the Opposition, and the First Elected Member for the district of Cayman Brac and Little Cayman.

**PRESENTATION OF PAPERS  
AND OF REPORTS**

**Reports of the Standing Business Committee:**

**First Meeting of the 2005 Session of the Legislative Assembly**

**Second Meeting of the 2005 Session of the Legislative Assembly**

**Third Meeting of the 2005 Session of the Legislative Assembly**

**The Deputy Speaker:** I now call on the Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you.

Mr. Speaker, is it possible, Sir, for me to lay all three documents rather than going through the process three times?

**The Deputy Speaker:** Sure.

**Hon. D. Kurt Tibbetts:** If that is in order, Sir, then I beg to lay the Report of the Standing Business Committee – First Meeting of the 2005 Session of the Legislative Assembly, the Report of the Standing Business Committee – Second Meeting of the 2005 Session of the Legislative Assembly, and the Report of the Standing Business Committee – Third Meeting of the 2005 Session of the Legislative Assembly.

These documents, Sir, are self-explanatory so there will be no need for me to speak to them. Thank you.

**The Deputy Speaker:** So ordered. Thank you.

**Report of the Standing Public Accounts Committee on the Budget of the Cayman Islands Audit Office 2005/2006**

**The Deputy Speaker:** I now call on the Third Elected Member for the district of Bodden Town, the Chairman of the Public Accounts Committee.

**Mr. Osbourne V. Bodden:** Thank you, Mr. Speaker.

The Standing Public Accounts Committee of the Cayman Islands Legislative Assembly, established under Standing Order 77 of the Legislative Assembly Standing Orders (1997 Revision), met to consider the budget of the Cayman Islands Audit Office for the 2005/2006 fiscal year in accordance with section 66(2)(a) of the Public Management and Finance Law (2003 Revision) which states, “**Notwithstanding sections 10, 19, 20, 22, 30 and 31, the Public Accounts Committee shall- (a) be granted appropriations relating to the Audit Office.**”

Following a Powerpoint presentation of the Cayman Islands Audit Office Budget for 2005/2006 and consideration of the papers, the Committee recommends to this honourable House the Cayman Islands Audit Office Budget for 2005/2006.

I beg to lay this Report on the Table of this honourable House.

**The Deputy Speaker:** So ordered. Would the honourable Member wish to speak thereto?

**Mr. Osbourne V. Bodden:** No, Mr. Speaker, the report is self-explanatory. Thank you.

**Financial Reporting Authority (CAYFIN) Annual Report 2004/2005**

**The Deputy Speaker:** I recognise the Honourable Temporary Second Official Member.

**Hon. Cheryll M. Richards:** Mr. Speaker, I beg to lay on the Table of this honourable House the annual report of the Financial Reporting Authority (FRA) for the year 2004/2005.

**The Deputy Speaker:** So ordered.

Would the Honourable Member wish to speak thereto?

**Hon. Cheryll M. Richards:** Thank you, Mr. Speaker.

Very briefly, the Proceeds of Criminal Conduct Law (2005 Revision) stipulates in section 30 that the Director of the FRA shall “**prepare and submit to the [Anti-Money Laundering] Steering Group on or before the 30<sup>th</sup> September in each year an annual report reviewing the work of the Reporting Authority and containing such other information as the Steering Group in its discretion shall require.**”

The Law further provides that the Reporting Authority “**shall collect, compile and annually publish, in such manner as the Reporting Authority shall determine, statistical information relating to—**

- (i) **disclosures made to the Reporting Authority concerning proceeds of criminal conduct... [and other such matters, as well as]**
- (ii) **any onward disclosures of such financial information by The Reporting Authority.”**

This Report is for the period ending 30<sup>th</sup> June 2005, and, in fact, is the first such report from the FRA, which was established on 12<sup>th</sup> January 2004.

The Report contains useful reference tables showing comparison activity for the period 2001 to 2005 and is presented in four parts: reporting activity review; details of the work of the FRA; the organisation; and the strategic priorities for the year ahead, 2005/2006. These priorities include ensuring that its statutory obligations continue to be met in a timely and efficient manner in accordance with its Mission Statement which is, “**To serve the Cayman Islands by participating in the international effort to deter and counter money laundering and the financing of terrorism.**”

In this regard, the Report should be of interest not only to law enforcement interests locally and overseas, but also to the general public alike.

Mr. Speaker, I beg to lay this Report on the Table of this honourable House.

**Discussion Paper for Public Consultation – Freedom of Information Bill, 2005**

**The Deputy Speaker:** The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Mr. Speaker.

Members of the Legislative Assembly, I wish to lay before this honourable House a Bill for a law to

give to the public a general right or access to official documents and to make provision for incidental and connected purposes. This Bill is called the Freedom of Information Bill, 2005, and it is being laid as a discussion document for public consultation.

**The Deputy Speaker:** So ordered.

Would the Member wish to speak thereto?

**Hon. D. Kurt Tibbetts:** Yes, Mr. Speaker. Thank you very much, Sir.

First of all, Mr. Speaker, it would be remiss of me not to welcome our acting Serjeant-at-Arms—your good father—who served with us some years ago. Even though it is very temporary, I must say that when I heard him announce “Mr. Speaker” this morning, it was not only heartwarming but it brought back good memories.

*[Addressing Mr. Cline Glidden, Sr., the acting Serjeant-at-Arms]* On behalf of the Members, Sir, we welcome you and just wish for you to know, if it were left to us you could stay as long as you would like.

Mr. Speaker, the most logical point to begin in this matter has to be the debate that took place in this Legislative Assembly in 1998—seven years ago. In that year, as a Member of the Opposition, I seconded a motion moved then by the First Elected Member for Bodden Town (at the time, Mr. Roy Bodden, the former Minister of Education). The motion was aimed at urging the government of the day to enact a Freedom of Information Official Information Act.

The records will indicate, Sir, that the government of the day supported the motion. I thanked them on that occasion for that laudable decision. In the course of that debate on 1<sup>st</sup> July 1998, I said in this House, with your permission, Sir, “**...while the Government has accepted the motion as amended, the timing of the legislation is going to be very important. My challenge to the Government is to get on with it immediately.**” That is from the *Hansard* dated 1 July 1998.

Again, with your permission, Sir, I went on to state in the same debate, “**The government of the day should not—and if I have anything to do with it in the future, will not—hold a monopoly on information. It has been used in the past, that is, information and facts, to seek political advantage. Today, this country is still paying the price for that type of action.**”

As I stand here today I wish to say the same thing that I said some seven years ago—we should be immediately moving towards the enactment of the legislation. Even with the zeal and anxiety within, I respect the fact that we need to have public consultation and we certainly will.

Although I was disappointed that previous administrations did not present to this House a bill for the enactment of a law on freedom of information during all of that time, I will not be negative. I have no doubt that the Opposition will give their support to this

motion, and eventually the Bill, when it is presented to the Legislative Assembly for safe passage.

Mr. Speaker, even to the run-up to the last elections we were singing the same song. During the campaign the PPM promised a government in the sunshine. In other words, we promised that we would change, in fundamental ways, the manner in which these Islands were being governed.

The Bill that I table today is one of the significant ways in which the People’s Progressive Movement intends to deliver on this promise.

The House will be aware that the operations of government are often shrouded in mystery. A document may be classified as secret or confidential even if it does not contain anything that is truly sensitive. Further, such a classified document may be very important for the private citizen who may be mentioned in it. In some cases, the document may even contain false or misleading information. Regardless of what the case might be, the private citizen may require that information so that he or she can make a case before a public authority or in some private dealing. Yet, he or she does not have access to it or have a chance to correct the details contained therein.

The modern trend has been to create a fair balance between the right of the government to govern without always being in the glare of the public, and the right of the public to access certain information. This Bill seeks to ensure greater justice to the individual by re-writing the rules on secrecy of government documents.

I will now endeavour, Mr. Speaker, to highlight some of the provisions of this important piece of legislation. The object of the Bill is to reinforce and give further effect to certain fundamental principles underlying the system of constitutional democracy; namely, governmental accountability, transparency and public participation in national decision making. This is achieved by granting to the public a general right of access to official documents held by public authorities. Of course, it is subject to exemptions which balance that right against the public interest in exempting from disclosure governmental, commercial or personal information of a sensitive nature.

Mr. Speaker, you will notice that in this Bill we have included the Objects in a substantive provision of the law when it is passed so that it may remain on the statute book even after the Bill becomes law rather than being discarded, as is usually the case. This, Sir, is to ensure that each and every one of its provisions will be interpreted by users, and even by the courts, in accordance with the clear tenets that are provided for in the Objects.

Having stated the items let me now proceed to state what institutions will be bound by this law and the documents to which it will apply.

Firstly, the Law will apply to every public authority. A “public authority” is defined as meaning:

**(a) a ministry, portfolio or department;**

**(b) a statutory body or authority, whether incorporated or not;**

**(c) a government company which –**

**(i) is wholly owned by the Government or in which the Government holds more than 50% of the shares; or . . .**

(a government company which the Governor in Cabinet designates as one to which the law should apply);

**(d) any other body or organisation which provides services of a public nature which are essential to the welfare of the Caymanian society. . .**

In other words, we are saying two things: One is that any institution which is exclusively or substantially using the people's money must open its documents to public scrutiny. We are further saying that if an organisation holds itself out to the people as being committed to doing public good, the people must also have access to its documents.

Secondly, not all documents will be liable to production. One restriction under this head has to do with the age of a document. One would not be able to ask for a document which is more than 30 years old. Thus, upon the passing of this Bill, a member of the public will be able to exercise the rights conferred by this Act in relation to documents that have just been created but cannot reach back more than 30 years. However, as in any such legislation there will and has to be exceptions.

Whereas we would like the public to have access to official documents, we are fully cognisant of the fact that certain documents must not be disclosed if we are, for instance, to protect our economy. Hence, certain categories of documents will not be liable to disclosure; for example, certain documents referred to under the Monetary Authority Law and documents relating to exempt companies under the Companies Law.

Mr. Speaker, we have identified these two categories as two obvious areas where it is important to retain confidentiality. However, out of an abundance of caution, we have included in the Bill a provision which will allow the Governor in Cabinet by order to protect any other class of information.

Honourable Members are asked to note that this is not a power to decide on an *ad hoc* basis that a particular document will be kept confidential. Rather, it will simply allow the Governor in Cabinet only to name a category of documents or information. This will ensure that the provision does not appear to be imbued with too much discretion.

As to the general right itself, the Bill provides that every person shall have a right to obtain access to an official document other than an exempt document. Care has been taken to ensure that this right is not indirectly undermined. Thus, there is a provision which makes it absolutely clear that an applicant shall not be required to give any reason for requesting access to an official document. The provision is there because once a person shows that he or she has a right to access any document, Government has no

desire to interfere with his or her privacy by seeking to know why he or she requests access.

If the document is accessible it is simple: no one individually or collectively should be inquiring of anyone else why they desire access. Access is access, and gaining it is not predicated on the reason for your desire.

It is important to note, however, that exemptions will not go on forever. In this regard, the Bill provides that after 20 years all exemptions shall cease and documents will be declassified. Any document that is exempted at any point in time, 20 years later is no longer exempted.

One may wonder why that is the case, but there is justifiable reason for that. However, to be on the safe side, since this is new legislation—and we are a small jurisdiction whose economy is not very diversified at this point in time—we propose to retain a power on the part of the Governor in Cabinet to provide for either a longer or a shorter period after which certain documents will be declassified and made public.

This follows the way of many other pieces of similar legislation, and we thought it best to include this because individuals can look to specific examples to see why such a provision may well be needed at some points in time. Surely, we look forward for members of the public and stakeholders in the private sector to closely examine this document and give their input. I am certain everyone agrees with the document's intention. The reason why we are putting it out as a document for consultation is because we do not profess to have successfully sat down and caught everything needed to be caught in the legislation. We certainly welcome input from the public and the stakeholders.

Mr. Speaker, the Government is well aware that it is not meaningful to grant a right which is too expensive to enjoy, so we have provided that any fee charged for the granting of access to information shall not exceed the actual cost of searching for, reproducing, preparing and communicating the information requested. In fact, we have gone even further. The Governor in Cabinet will be given power to make regulations to provide that no fee is to be charged in certain categories of cases.

Having outlined what the general right of access to information entails, I now move on to exemptions. These are cases, as I have said, in which access to information will be restricted, or indeed, prohibited. Sir, the exemptions relate to documents affecting security, defence or international relations; Cabinet documents; documents relating to law enforcement; documents covered by legal, professional privilege, as well as those whose disclosure would infringe upon the privileges of this honourable Legislative Assembly; documents affecting the national economy; documents revealing the deliberative processes of government; documents relating to business affairs; documents whose disclosure may result in the

destruction of, damage to or interference with the conservation of heritage sites and other areas relating to the environment; and documents relating to personal affairs.

I must hasten to add that each of these provisions must be read carefully as not all of them are blanket exemptions; some are narrower than the general headings might indicate.

In every system, no matter how well crafted or how well administered in practice it might be, in order for justice on both sides there will have to be a certain degree of discretion by the officials who will make decisions whether or not to grant access. The Bill before the House, therefore, provides for appeal when individuals or entities are not satisfied with the result of their request.

Appeals will be at two levels: firstly, an aggrieved party may appeal by way of internal review of any decision not to grant access. Where such an appeal is made in certain specified categories that relate to policy, the Minister or Official Member will consider the matter. In all other instances, the Chief Officer of the entity concerned will make that decision.

Secondly, if the applicant is still dissatisfied by a decision of the Minister, the Official Member or the Chief Officer concerned, he or she may appeal to a tribunal appointed by the Governor in Cabinet.

I add that it is not enough just to provide for appeals. We must always remember that before matters become contentious, systems must be in place to promote openness. The Bill provides that every public authority must appoint an information officer who, under the general and specific supervision of the head of the public authority concerned, will promote best practices in relation to document maintenance, archiving and disposal. This officer will also be responsible for receiving complaints and assisting people seeking information. Such officers will operate under guidelines set by the Chief Secretary.

Let me interject here to say (lest we get the warning bells going and concerns raised) it is not proposed that these individuals in the portfolios, ministries and departments will be individuals solely tasked with this job. It will simply be part and parcel of a job description in the future.

In legislation of this kind one needs to protect those people who in the public interest reveal some wrongdoing on the part of public authorities. To meet this need, Sir, the legislation will protect whistleblowers. Therefore, a person who reveals wrongdoing will be protected from any administrative or employment-related sanction if he or she reveals in good faith the following:

- (a) the commission of a criminal offence;
- (b) failure to comply with a legal obligation;
- (c) the miscarriage of justice; or
- (d) corruption, dishonesty or serious maladministration.

Now, in some rare cases, the person seeking information may find upon access that it is incorrect.

The legislation provides for that eventuality. It stipulates that where a person seeking access to information regarding one's-self finds that it is incomplete, incorrect, out-of-date or misleading, he or she may apply for amendment or annotation of such information. This ensures that the right of access to such information is meaningful and that it offers the Government a chance to maintain records that are not only fair but accurate.

Finally, we do not want this new and very important legislation to be relegated to the backburner. We want it to take on a conspicuous existence and we want it to be given the attention that it deserves. To this end, the Bill provides that after one year of the date of coming into force it will be reviewed, not by the Governor in Cabinet or by a committee of the government executive, but by a committee of this honourable Legislative Assembly.

As usual there are a number of provisions that are ancillary to the ones I have outlined. Only a reading of the entire Bill will give a complete understanding of all the details of this very important piece of legislation.

Mr. Speaker, it will be for the public to obtain copies of the documents which will be available to them (that is, the proposed Bill). It will be very important, not only for those who may recognise a specific interest at this point in time, but for everyone to take the time out to get their hands on this document, to digest what it contains and to come forward with proposals or recommendations for amendment, change or additions to the document as they may see fit.

Having laid the document on the Table for discussion, we will shortly announce a program and timetable to facilitate not only discussions but information gathering with a view, hopefully, to complete that exercise in 90 days, at which point in time we will move forward with whatever amendments and preparation for safe passage in the legislation.

In closing, let me emphasise one thing: It would be absurd for me to speak about open government and yet restrict consultation on this Bill. As I mentioned, we will make this Bill public and we will allow discussions by all those who are affected by it, that is, the employees of all the public authorities. However, once again I emphasise that it is important that persons on the street take the time out to familiarise themselves with the document.

Indeed, Mr. Speaker, this will also give all honourable Members of this House, both Government and Opposition, enough time to study it and consult with the people they represent. I am confident, Sir, that this dialogue will be fruitful and will benefit all concerned. On behalf of the Government, I promise that in considering the final draft of what will eventually be presented for passage, all views expressed will be accorded the serious consideration that they deserve.

Mr. Speaker, having laid the document on the Table, I am grateful for the opportunity to speak. I look

forward to discussions, but, most of all, I look forward to us having the Freedom of Information Law because then it will no longer be a bill.

Thank you very much.

**The Deputy Speaker:** I call on the Honourable Third Official Member.

Honourable Member, just to preempt, you may want to lay all the documents in the same way.

**Financial Statements of Courts Funds Office:**

**Seven-month period ended 31 December, 1995;**

**Year ended 31 December, 1996;**

**Year ended 31 December, 1997;**

**31 December, 1998 and 1997;**

**31 December, 1999 and 1998; and**

**31 December, 2000 and 1999**

**Hon. G. Kenneth Jefferson:** Yes, thank you, Mr. Speaker. That was certainly my intention.

Mr. Speaker, I beg to lay on the Table of this Honourable House the audited financial statements of the Court Funds Office for the seven month period ended the 31<sup>st</sup> December 1995, and for each of the full years ended the 31<sup>st</sup> December 1996, to the 31<sup>st</sup> December 2000, inclusive.

**The Deputy Speaker:** So ordered. Does the Honourable Member wish to speak thereto?

**Hon. G. Kenneth Jefferson:** Yes, thank you, Mr. Speaker.

Mr. Speaker, the Audited Financial Statements that have just been laid on the Table of this honourable House have been so laid in accordance with section 4.3 of the first schedule of the Judicature Law.

The fund is established to manage and invest the funds of court on behalf and under the direction of the Grand Court.

Section 1.6 of the first Schedule of the Judicature Law provides for the Rules Committee of the Grand Court to make rules as to the administration and management of funds in court. The Court Funds Office commenced operations on 1<sup>st</sup> June 1995. The two main activities of the fund are recorded in two accounts:

1. General Accounts: used to record all amounts relating to maintenance, compensation, attachment of earnings and, in some cases, cash bond transactions.

2. Nominated accounts: used to deposit cash bonds into individual, fixed-deposit accounts as directed by the court. Withdrawals from a nominated account, including any interest accrued, can only be done pursuant to a direction or order of the court.

Thank you, Mr. Speaker.

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

**The Deputy Speaker:** I have received no notice of statements.

**GOVERNMENT BUSINESS**

**BILLS**

**FIRST READINGS**

**The Public Service Management Bill, 2005**

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

**The Customs (Amendment) Bill, 2005**

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

**The Complaints Commissioner (Amendment) Bill, 2005**

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

**The Fire Brigade (Amendment) Bill, 2005**

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

**The Grand Court (Amendment) Bill, 2005**

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

**The Summary Jurisdiction (Amendment) Bill, 2005**

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

**The Police (Amendment) (No. 2) Bill, 2005**

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

**The Prisons (Amendment) (No. 2) Bill, 2005**

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

## SECOND READING

### The Public Service Management Bill, 2005

**The Deputy Speaker:** I now call on the Acting First Official Member.

**Hon. Donovan W. F. Ebanks:** Thank you, Mr. Speaker.

I beg to move the second reading of a Bill entitled The Public Service Management Bill, 2005.

**The Deputy Speaker:** The Bill has been duly moved. Does the mover wish to speak thereto?

**Hon. Donovan W. F. Ebanks:** Yes, Mr. Speaker. Thank you.

When I got up this morning and saw we were going to have some sunshine, I did not realise everything else that was to come along in the course of the day. It is certainly a pleasure to be here, and I echo the comments of the Leader of Government Business when I see our former Serjeant-at-Arms back for a short time.

It is also very significant to be here when the Freedom of Information Bill is laid. That is certainly a subject that has been very dear to my heart, and I am most pleased to see it finally making some progress.

Mr. Speaker, I was never much of a history student. It was never a favourite subject of mine. However, the opportunity to move this Public Service Management Bill, 2005, this morning definitely brings back a few memories. It seems that it has been something that many of us have been waiting to see happen for a long time, including me.

I am reminded of attending a retreat back in early 1993 following the 1992 elections, when the newly elected government called senior civil servants together and felt that we had to cut everything that we had. It was a call to all agencies to simply cut costs. I guess I chose to convey my frustrations with that approach to the Governor (then, Mr. Gore) and share with him some of my thoughts as to the need to simply reform the entire way we did business.

While I will not get into details, one thing led to another. Mr. Owens came along; we had something called "Reinvention," which took a couple of us (Peter Gough and me) on a trip Down Under. We came back realising that there were some people much more important than us who also needed to go.

In 1998, the then FS and the *de facto* Leader of the Opposition (the now Leader of Government Business) also took the trek. From that was born the first phase of the fiscal reform under what we termed the Financial Management Initiative (FMI). Having been associated with those activities over the years, it

is extremely pleasing to see this final segment come to fruition as well.

It was recognised in late 1998/1999 that the move we were looking to make in the fiscal reform from an input to output base—from simply specifying the ingredients we were going to use, to specifying the goods and the outputs we were going to produce—in and of itself would not be sufficient to achieve the overall aims of increased accountability and increased performance that we were aiming for. The personnel management arrangements would need to be brought into a more modern and effective mode.

This Public Service Management Bill seeks to provide the legislative framework for this second leg of the Public Sector Management Reform. It seeks to establish, Sir, a new system of human resource management for the Government.

This personnel reform seriously got underway some three and a half years ago, in May 2002. Mr. Speaker, you were one of the attendees at a workshop which was held to develop a broad design for what this new personnel or human resources system and legislation should look like. That design workshop developed a broad design which was widely circulated within the Civil Service Association. The participants were drawn from an extensive area. Mr. Speaker, I use you, an elected official, as an example. Various levels of the Public Service, the Staff Association and a few former civil servants, were all represented. That design really then formed the basis of the development of this legislation.

Because I chaired the design workshop, I was not associated with the actual development of legislation, nor did I get an opportunity to see it at the end of the process. However, I am satisfied with what we have come up with, which is highly consistent with the expansive design we developed some three and a half years ago. That design, in the interim, has been used to revise the General Orders which were issued by His Excellency the Governor in May this year. It provided vast and much needed relief for the frustrations of public servants.

I am, without doubt, grateful to Mr. Colin Ross and his staff at the Portfolio of Public Service for all the work they did in producing those revised General Orders.

Mr. Speaker, up until now the implementation of any personnel reform has occurred within the existing legislative framework, most notably the Public Service Commission Law. However, in order to progress the reform and, in particular, allow the delegation of personnel authorities to Chief Officers, it was felt new legislation in the form of this Bill was needed.

The objective of the Bill is, basically, twofold: to modernise the Government's Human Resource Management System; and, secondly, to bring the personnel functions in line with the Financial Management Systems developed under the Financial Management Initiative, to create a single, coherent Public Sector Management system.

In relation to the modernisation objective, the Bill will change the Government's focus of personnel management from a centralised, rule-bound approach based upon the finding of what cannot be done, to decentralise the approach based on empowering civil service managers, but with appropriate safeguards.

As a young head of department 15 to 20 years ago, I had many aspiring sessions with the then head of personnel, Mr. Mark Panton. I used to tell him to institutionalise mediocrity. The system was designed to ensure that everyone was treated equally, but it lacked the fairness to reward those who did well. It was simply that preoccupation with equality and with rules that strapped us and tied us and deprived us the opportunities to do what we felt was appropriate when someone performed exceptionally.

In relation to the second objective, a key feature of the FMI has been the establishment of clear lines of effectiveness and accountability. In particular, Cabinet and the Legislative Assembly are now responsible for determining what services are to be delivered, and Chief Officers are responsible for ensuring that those services are delivered efficiently.

Mr. Speaker, people can only be held accountable for the things that they control. In order for Chief Officers to be held accountable for output delivery, one of the strong sentiments that came out of the design workshop was that there had to be greater control over the inputs that go into producing those outputs. That has not been the case.

Again, it always frustrated me when I could hire a foreman who would be responsible for doing \$100,000 worth of work a year myself, but I could not hire a receptionist to answer the telephone—it would have cost me probably half the salary—simply because the system did not entrust heads of departments to hire, even at that level, what was termed “established positions” or “established posts”.

This Bill, Mr. Speaker, provides for the delegation of personnel authorities to chief officers, and, through them, the heads of departments. This will bring the personnel arrangements into line with the other input authorities the chief officers now have under the financial systems.

Mr. Speaker, by way of overview, there are four main elements to the Bill and it is organised into nine parts:

The first element is the establishment of a set of Public Sector Values together with the Public Servants' Code of Conduct. The Values and Code of Conduct are contained in Part II of the Bill. They give definition and clarity to how the service should be characterised, what it should live up to, how public servants should conduct themselves and the standard to which they should aspire. Having said that, both are welcome and are essential, but I think it also appropriate to publicly state that as a country I think we can be justly proud of the calibre and integrity, in particular, of our public service. For a community that has been as buoyant as ours, and with as many tempta-

tions and opportunities, I think it is a definite tribute to public servants and to us all. Incidents of impropriety will always exist. We will never completely eradicate them, but they are certainly few and far apart.

The second main element is the establishment of a new framework overseeing the operation of the civil service which is contained in Parts III and IV of the Bill.

The third element is the establishment of a modern employment and performance/management arrangement for Official Members, Chief Officers and other civil servants. Again, it extends from the very top to the very bottom. These are contained in Parts IV, VI and VII respectively.

The final element is the establishment of safeguards to ensure that personnel authorities are used appropriately. This includes a new and more comprehensive appeals process and the establishment of an independent Civil Service Appeals Commission to hear those appeals.

One of the issues that was most highly focused on by the design group back a few years ago was the fact that, under our current system, everything was done by the Governor—the Governor appointed you, the Governor transferred you, the Governor promoted you and the Governor dismissed you, whatever the case may be. In reality, if everything started at the very top there was simply no real facility at which to appeal. These arrangements go to that issue and provide, we feel, a real system that can work, and that can address and provide objective avenues for appeal.

Mr. Speaker, in addition to these seven parts that make up the four substantive elements, there are two other parts to the Bill.

Part I deals with the introductory matters, most notably, the interpretation provisions. It also specifies the date (which, for the most part, is 1<sup>st</sup> July next year) when the Law would fully come into effect.

Part IX (while it is not listed in the index it is in the Bill) contains a number of miscellaneous provisions, including the transitional arrangements—the Repeal of the Public Service Commission Law 1976, and the Public Service Commission Regulations 1985. Not surprisingly, those repeals would have the effect of abolishing the Public Service Commission.

With that overview, allow me to take some time to give a little more detail on the various clauses of the Bill.

As I said, Part II of the Bill contains the Public Service Values and the Public Servants' Code of Conduct. The eight Public Service Values are set out in clause 4, and these are the values which are to govern the management and operation of the public service. They are meant to reflect the sort of public sector we feel we want in the Cayman Islands. The values include:

- serving diligently the government of the day and the public in an apolitical, impartial and courteous manner;



- adhering to the highest ethical, moral and professional standards at all times;
- encouraging creativity and innovation, and recognising the achievement of results.

I am personally happy to see this last value. It sends a message that we no longer want a public service that is simply content to do things the way they were done; we want a public service in which people are motivated to think and find new and more efficient ways of getting things accomplished. We want to recognise people who display that initiative and that innovation.

The nine behaviours expected of a public servant are contained in the Public Servants' Code of Conduct, set out in clause 5. These include, among other things:

- the requirement to behave honestly and conscientiously and to fulfill duties with professionalism, integrity and care;
- the requirement to be politically neutral.

Both the Values and the Code of Conduct apply to statutory authorities and government companies, as well as what we term the "civil service". This is achieved by using the term "public service" in the Law, defined in clause 2 of the Bill as a **"civil service and employees of statutory authorities and government companies."** Therefore, we are using "public service" to reflect the entire extent of government-owned entities—the traditional civil service, the statutory authorities and government companies. It is for this reason that the values are called the "Public Service Values" rather than "Civil Service Values," and the "Public Servants' Code of Conduct" rather than the "Civil Servants' Code of Conduct." All public servants are required to comply with the Code of Conduct, and failure to do so in a significant way shall be grounds for discipline or even dismissal.

The two clauses that make up Part II are the only provisions of the Bill that apply to statutory authorities and government companies. I want to also make it quite clear that the rest of the provisions are not binding on the statutory authorities and government companies.

Part III of the Bill sets out the personnel authorities of the Governor, while Part V outlines the duties, responsibilities and powers of the Head of the Civil Service. Together, these two parts establish the new framework for overseeing the operation of the civil service. This new framework will replace the existing arrangements involved in the Public Service Commission and General Orders.

For the purposes of these two parts, and indeed the entire Bill, a "civil servant" is defined in clause 2 as **"a person employed by the government but does not include [an elected] Member of the Legislative Assembly"**. "Civil Service" is defined as **"the group comprising all civil servants."**

Mr. Speaker, while the term "public officer" is not used in the Bill, the definition of "civil servant" is

consistent with the definition of a "public officer" contained in the Constitution. In fact, I circled the definition that has the result if the term "public officer" had been used in this Bill.

Honourable Members will note (appropriately we feel) that the definition of "civil servant" excludes elected Members of the Legislative Assembly. This means that where the Speaker is an elected Member of the Legislative Assembly, the Speaker is not a civil servant and, obviously, where the Speaker is not an elected Member, the Speaker would be, for the purposes of the Bill, a civil servant.

Clause 6 sets out, generally, what the personnel authorities of the Governor are. Subsection (1) of that clause is perhaps the most important clause of the Bill in that it stipulates, **"The power to employ all civil servants rests with the Governor acting in his discretion but subject to this Law."** This subsection also establishes the policy boundary for the Bill and is a reflection of the existing Constitutional arrangement.

Equally fundamental to the Bill is clause 7. This clause allows the Governor to delegate specified personnel authorities to the Head of the Civil Service and also to Chief Officers.

Mr. Speaker, until this Bill is (hopefully) enacted, we refer to the Chief Secretary as the Head of the Civil Service. In reality, there was no actual authority vested in the Chief Secretary. I used to kid my former boss that he was simply the gloves that handled the Governor's dirty matters, because there was certainly no power to do anything about those matters.

The Governor, however, may delegate his authority where an instruction has been issued by the Secretary of State under section (9) of the Constitution. An instruction is necessary to comply with the requirements of the Constitution, and such an instruction was issued by the Secretary of State last year. That instruction has been the legal basis for the personnel delegations made last year and issued to the Head of the Civil Service (my current boss). Under that delegation, the Head of the Civil Service has been responsible for overseeing all matters relating to the operations of the Civil Service, including appointment and disciplinary processes. That is the effect of what we have been practicing since around this time last year.

This arrangement, which until now has operated within the confines of the Public Service Commission Law and General Orders, will be adjusted after the Bill is enacted so as to reflect the responsibilities of the Head of Civil Service under this Bill. Obviously, as I have already mentioned, the earlier Public Service Commission Law and Regulations will fall away.

In summary, clauses 6 and 7 of the Bill mean that Civil Service personnel authorities rest with the Governor who, provided he has an instruction from the Secretary of State, may delegate these authorities. As I have said, such an instruction has been issued so there is no impediment to the Governor mak-

ing these delegations in accordance with these clauses in the Bill.

Any delegation by the Governor, however, must also comply with the provisions of this Public Service Management Bill. This is important because clause 7 says that the Governor may delegate powers relating to the personnel arrangements for chief officers only to the Head of the Civil Service, and powers relating to the personnel arrangements for staff in Civil Service entities (departments, agencies and so on) only to chief officers. In turn, chief officers may un-delegate (they may delegate their authority) to their Heads of Department or equivalent.

For example, the Governor delegates authority to the Head of the Service in respect of my normal position, and he delegates authority to me in respect of a department that falls under me, for instance, Immigration. I am authorised to delegate my authority to the Head of Immigration to deal with staff and Immigration, or I can hold onto it and deal with those staff matters myself. So the Bill is quite specific in that regard as to who may have such powers delegated to them.

In addition, clause 6 requires the Governor to retain responsibility for the employment of judges, magistrates, Official Members, the Auditor General and the Complaints Commissioner. These reflect the requirements of the Constitution.

Clause 6 of the Bill also requires the Commissioner, the Deputy Commissioner and Assistant Commissioner of Police to be directly appointed by the Governor. This requirement reflects the Governor's responsibility for security matters.

There are two other important clauses relating to the Governor's authority.

Clause 8 provides that the Governor may revoke the powers that he delegates either in whole or in part. However, he may do so only if the delegate (the person he's delegated to) does not comply with either the terms of the delegation or the requirements of the Public Service Management Law.

Clause 3, in Part I of the Bill, outlines the legal effect on this Law of any revocation or variation of the instruction issued by the Secretary of State. If that occurs, the Law would stand suspended or would have to be appropriately varied.

The sections relating to the Governor's authorities that I have just outlined establish one-half of the oversight framework; the remainder is contained in Part V which outlines the oversight responsibilities of the Head of Civil Service. In this regard, clause 15 sets out the duties of the Head of the Civil Service and stipulates in section 2 that the Head of the Civil Service is responsible for overseeing all matters relating to its operation.

Clause 19 requires the Head of the Civil Service to monitor the Human Resources policies and practices of Civil Service entities to ensure that they comply with the requirements of this Law and any other applicable laws and regulations.

Clause 21 requires the Head of the Civil Service to ensure that open and fair employment processes operate in the Civil Service.

Part V also contains a number of other provisions relating to the functions of the Head of the Civil Service. Contained therein is Clause 18, which empowers the Head of the Civil Service to recommend to the Governor the salaries, allowances and other benefits of certain posts specified in that section. Those posts include the Judiciary, the Speaker, the Deputy Speaker, and elected Members of the Legislative Assembly.

Clause 20 provides the Head of the Civil Service with powers to transfer civil servants from one ministry or portfolio to another upon any administrative changes in responsibility.

I suppose it is fair to say the Bill is futuristic. It has preparedness and mitigating provisions because I expect that these will, by any means, come into play at this time. Where applicable, there are provisions (in clauses 22 and 23) which set out actions to be taken by the Head of the Civil Service where a civil servant is facing political pressure from a Minister, an Official Member or other Member of the Legislative Assembly.

In this context, "political pressure" is defined in clause 2 of the Bill as **"any attempt ... to influence a personnel or other input-related decision of a chief officer vested in a chief officer under this or any other law, or to change advice tendered by a chief officer to the Governor, the Cabinet, a Minister or an Official Member from what it would have been had the influence not been applied."**

I think, Sir, these clauses also provide a good legal basis which elected and appointed officials can quote and refer to from time to time, or when individuals may seek to put undue pressure on us. Sometimes people expect that if you hold office there is nothing you cannot get done—as long as you do it for them. We now have a basis of saying to them, 'Look. *This is certainly not what, legislatively, we are allowed to do.*' Clauses 22 and 23 provide the Head of Civil service with powers to intervene in these situations.

In Part V the Bill goes on to specify the duties and responsibilities of the Portfolio of the Civil Service, which is the portfolio responsible for this Law and falls under the Head of the Civil Service. This is contained in clause 24 and it is to support the Governor and Head of Civil Service in undertaking their responsibilities under this Bill.

Clause 25 provides the Portfolio of the Civil Service with the power to request information concerning human resources practices from Civil Service entities. For those who may not be aware, what we formally referred to as the "Personnel Department" has, with the transition and with the implementation of this law the entity under this law that will be the Portfolio of the Civil Service that will, in effect, provide the support to the Governor and to the Head of the Civil Service in discharging their responsibilities under the Law. They will no longer be an agency that controls

and dictates what departments can do and provides that whole range of controlling mechanisms.

Having established this oversight framework, the Bill then establishes the specific personnel arrangements for civil servants. This is done in Parts IV, VI and VII.

Part IV specifies the personnel arrangements for Official Members. As I think I mentioned earlier, Official Members are to be appointed by the Governor in accordance with the requirements of clause 6.

Clause 9 outlines the process and procedures that are to apply to that appointment process and to the re-appointment of an Official Member who has reached the end of a fixed-term employment agreement or who has reached retirement age.

Clause 10 stipulates that **“Official Members shall, subject only to the Constitution, be employed under terms and conditions of employment specified in personnel regulations.”** The clause also requires Official Members to be employed under an employment agreement prepared in accordance with personnel regulations. These requirements are similarly applied to other civil servants in other parts of the Bill.

Mr. Speaker, clause 10 uses the term “employment agreement” which is defined in clause 2 as **“a written agreement between an employer and an employee by which a contract of service is instituted for either an open-ended or limited period.”** Under the Bill, all civil servants are required to have an employment agreement. This is consistent with both modern employment practice and the requirements of the Labour Law. For people like me who probably do not have a chance of finding a letter of appointment (like I received 30 years ago), under this new regime I will have an employment agreement which will be kept current.

Clause 11 establishes the remuneration arrangements for Official Members. Remuneration is to be agreed from time to time between the Governor and the Official Member concerned, but must be within the remuneration band specified and must also include a performance-related portion, the payment of which is to be based on the performance of the Official Member for the year. I will come to this in a little more detail shortly. Again, these provisions are similar to those that will apply to other civil servants in other parts of the Bill.

The term “remuneration” is defined in clause 2 of the Bill to mean **“salaries, wages, allowances and any benefits received by a civil servant as a result of his employment as a civil servant.”** Therefore, it deliberately encompasses all pecuniary benefits received by a civil servant, not just salary or wages. This includes, for example, pension benefits, medical benefits and any entitlements beyond that.

This focus on a total remuneration is consistent with modern HR practice, and so too is a requirement for a portion of the remuneration to be performance related. This, of course, is new to the public

service, but it means that the Official Member will only be entitled to that portion of his remuneration if his performance is to the required standard.

The performance-related remuneration provisions are directly related to the performance-management provisions, which, in the case of Official Members, are contained in clause 13 and 14. These clauses require that there be an annual performance agreement between the Governor and the Official Member. They also require that the performance of the Official Member be assessed by the Governor against that agreement each year.

Fundamentally, there is to be an agreement, there is to be a monitoring of that agreement and, inherently, if the whole system is to work, there have to be consequences to how people perform. What we are simply saying is that when those provisions eventually come into effect it will impact the remuneration that someone receives. There will be a normal entitlement and there will be a portion you would receive if you meet all the expectations.

In discussing these performance management arrangements, I should also highlight the commencement provisions because under clause 1 the provisions related to performance agreements and performance assessments will come into force 1<sup>st</sup> July 2006, along with the rest of the Bill. These arrangements have already been in practice for the last two years or so. However, the provisions relating to performance-related remuneration will not come into force until 1<sup>st</sup> July 2007. It has been deliberately stretched out this length of time to allow an additional year for the performance-assessment process to really bed down before the remuneration implication is attached to it. It means that the first performance-related payments will not occur until mid-to-late 2008. The detailed arrangements for all of this will be included in the regulations being promulgated.

Mr. Speaker, I want to turn to Part VI of the Bill which specifies the personnel arrangements for Chief Officers and, in many respects, these mirror the arrangements for Official Members.

Clause 26 describes the procedure to be followed by the Head of Civil Service when appointing a Chief Officer of a ministry or a portfolio, and this includes open notification or advertisement of vacancies, short listing and the interviewing process. There are requirements for the person appointed to have the best mix of qualifications, skills, knowledge and experience and, of course, the necessary integrity. In other words, Chief Officers must be appointed on the basis of merit, and merit only. There is, however, requirements where two or more persons are ranked broadly at the same level and, naturally, if only one is a Caymanian, the Caymanian will be given preference. The ageless term we all grew up hearing — “seniority”—will not feature as it previously did in these appointments.

Clause 26 also allows the Head of the Civil Service to reappoint a ministry or portfolio Chief Offi-

cer who has reached the end of a fixed-term employment agreement or attained retirement age. However, these reappointments must comply with the provisions of the regulations and include the requirement to ensure adequate succession opportunities and preference for Caymanians. So those cannot take place when they would impede the opportunity for someone who is otherwise qualified and capable of filling the position.

Clause 27 deals with the terms and conditions of employment of Chief Officers in ministries. As for Official Members, these will be in accordance with regulations and there will be a written employment agreement. Clause 28 deals with the remuneration of Chief Officers of ministries or portfolios and uses a similar approach to what I have outlined for Official Members. Clauses 27 and 28 only apply to ministry and portfolio Chief Officers.

Clause 37 applies to the remuneration and terms and conditions for the Auditor General and Complaints Commissioner, but in a way that reflects the role of the Governor in their employment arrangements.

Clause 29 establishes the criteria and process to be followed for the dismissal or early retirement of Chief Officers of ministries and portfolios.

Clause 38 applies those provisions to the Auditor General and Complaints Commissioner the way that reflects their constitutional protections.

Now, in relation to dismissal, clause 29 allows the Head of the Civil Service to dismiss the Chief Officer of a ministry or portfolio. However, he can only do so under three circumstances: gross misconduct, serious misconduct, or significant inadequate performance.

“Gross misconduct” is defined in clause 2 of the Bill to mean **“misconduct that is of such a serious nature or magnitude that, in the opinion of the appointing officer, the employee should be dismissed with immediate effect.”**

“Serious misconduct” is also defined as **“misconduct that is serious in nature or magnitude but is not so severe as to be gross misconduct.”**

“Inadequate performance” is poor performance compared to performance agreements over a period of at least 12 months and **“provided that there has been adequate opportunity for the chief officer to improve his or her performance to the required level.”** In the case of performance, there is to be a comparative performance and there is to be opportunity for improvement.

If a chief officer is to be dismissed on one of these three grounds, procedures established in personnel regulations must be followed. These procedures will be due-process requirements and will reflect the current requirements of General Orders.

Clause 29 allows the Head of Civil Service to retire rather than dismiss a chief officer and the clause establishes two grounds for early retirement, one being on medical grounds where the chief officer has a

permanent disability; and, secondly, to improve efficiency of the organisation.

Before taking any action in relation to the dismissal or early retirement of a chief officer, the Head of the Civil Service is to ensure that an open and fair employment process operates. Once again, this is a term that is defined in clause 2, in relation to discipline, dismissal, retirement or termination.

Clause 30 requires that prior to the commencement of each financial year an annual performance agreement be prepared. The clause outlines the content of the performance agreement and that content reflects current practice. In preparing his or her performance agreement, a chief officer must consult with heads of department or other ministry or portfolio managers about the content of the agreement.

Clause 32 requires that the amount of performance relating to remuneration of chief officers be determined by the extent of achievement of a chief officer’s annual performance agreement for the year. As I outlined earlier, the performance-related remuneration provisions do not come into force until July of 2007.

Earlier I touched on the whole issue of appeal. I know it is getting late, but I would like to spend a little time on that before I wind up.

Clause 33 confers civil servants applying to be a chief officer of a ministry or a portfolio the right of appeal to the Civil Service Appeals Commission in the event of their not being successful. In turn, it gives a chief officer the right of appeal (if they are successful eventually) in relation to other matters, for example, their remuneration decision, their dismissal, their early retirement, et cetera.

In Part VII of the Bill it will be noted that the personnel arrangements for staff in other agencies and departments follows the same approach applied to Official Members and to chief officers in Part VI.

Clause 44 provides chief officers with power to discipline staff, dismiss staff, and to early retire staff on medical grounds, retire staff to improve organisation, or otherwise terminate staff, similar to powers I touched on that were vested in the Head of the Civil Service in respect of chief officers.

In turn, in relation to appeals, clauses 53 and 54 provide staff members with rights of appeal over any appointment, remuneration, termination or other personnel decisions affecting them. The Civil Service Appeals Commission will be available to all civil servants, from chief officer to the very bottom, to appeal any decision that they are unhappy with taken by someone above them in authority. As I said, this will be a completely separate and independent body, and I will come shortly to the establishment of that commission.

Part VIII of the Bill deals with the establishment, powers and independence of the Commission. As such, I would like to highlight the difference between the new Civil Service Appeals Commission and

the existing Public Service Commission, because they are completely different bodies.

Unlike the Public Service Commission, the Civil Service Commission will have no role or involvement whatsoever in the appointment, dismissal, remuneration or other personnel decisions relating to civil servants. Whereas we have been accustomed to the Public Service Commission, as we know it, dealing with matters from appointment, transfer, training, discipline and termination, the new Civil Service Appeals Commission will not be about dealing with those matters at all. Those are matters that will be exercised either by the Governor, the Head of Civil Service, a Chief Officer or a Head of Department.

The new Civil Service Commission will be the body that deals only with appeals matters and to whom all persons (from chief officer down to the bottom ranks) can have the opportunity to appeal. It will be a sole, independent appellate body.

Clause 58 establishes the Commission and provides the mechanisms and criteria for its appointment. This includes membership requirements that ensure that members of the Commission are independent from both the civil service and political arenas.

Clauses 59, 60 and 61 stipulate the duties of the Commission, meeting procedures, powers and information privileges of the Commission. These provisions reflect the independence and the quasi judicial nature of the Commission.

In the same vein, clause 64 grants members of the Civil Service Appeals Commission the same protection from actions and lawsuits granted to judges of the Grand Court.

Clause 67, which contains the offences, makes it illegal for a person to attempt to influence any decision of the Civil Service Appeals Commission, to fail to appear before the Commission when required to do so or to make any statement to the Commission knowing it to be false or misleading.

I think I have summarised most of the major provisions of the Bill grouped into their four main elements.

The final part of the Bill deals with a number of miscellaneous provisions and I have already addressed the ones which directly relate to the key substantive clauses. Therefore, the main remaining ones will be clause 63, which grants all civil servants immunity from liability when anything is done or omitted in the performance of their functions; clause 66, which empowers the Cabinet on the advice of the Head of the Civil Service to make regulations; and clauses 68, 69 and 70, which are transitional provisions that ensure that the rights of civil servants are protected in the changeover from the existing law to the new law.

Finally, but very importantly, clause 71 repeals the Public Service Commission Law 1976, and the Public Service Regulations 1985. This means that the Public Service Commission (PSC) and the regu-

lated rules and procedures involving the PSC will be abolished on 1<sup>st</sup> July 2006.

As a young public servant dealing with the many frustrations of the Commission, it took me a long time to learn and appreciate how worthy it is. However, I recognise and applaud the work the Commissioners have done over the years. It is unfortunate how it always seems to take awhile to appreciate the limitations of what the Commission was able to do and to understand that the problems lay not in the Commissioners but in the system they were given to work with and apply.

Personally, I think we have been extremely fortunate to have had the calibre of persons we had serving the length of time they did. I think the fairness, the judicious and high standards they applied to their work has been a real benefit to the organisation. In particular we must recognise Mr. Long, who it would seem has always been there, dear Miss Islay and others. They have served us well with what are now the inappropriate tools that they had to use.

Mr. Speaker, that was an overview, but I am certain that Members will invest some time, or will have already spent some time in the areas that are of the greatest concern to them. I expect that during the course of today or the upcoming week I will have the opportunity to listen to some well-presented views of areas that, perhaps, still need to be changed.

We certainly do not claim that it is a work of perfection; we bounced it around within the organisation and we feel we have good acceptance. We are definitely open to hear people's comments and criticisms. At the end of the day we hope the Bill will achieve passage and we can move from where we now live to something with which, even if it has to be tampered, amended and modified in the years ahead, we can start a new existence, which is what we need to do.

I personally thank Mr. Colin Ross, the Chief Officer of the Portfolio of the Civil Service, and Mr. Tony Dale, the FMI consultant, for their untiring efforts to get us to this point. Three and a half years seems a long time. I know that it has not been easy, and I pay tribute to their perseverance and tact because I probably could not have stuck to it as diplomatically as they have done.

I commend the Bill to the House and I look forward to hearing Members' comments. I do not profess that it is perfect. It is time for us to move from where we are and I hope that Members will not only give us the benefit of their views but also share that sentiment; it is time to turn a new life and start a new beginning.

I thank you, Sir.

**The Deputy Speaker:** Thank you. Does any other Member wish to speak? Does any other Member wish to speak?

I recognise the Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Mr. Speaker.

I, too, take great pleasure in speaking to this Bill. In fact, I rise in support of the Public Service Management Bill, 2005.

As Members of this honourable House are well aware, I have long been an advocate for personnel reform in the civil service. Surely, as the *Hansards* will show, I have raised the matter in this honourable Legislative Assembly on many occasions over more than the past decade. It is, therefore, very pleasing to see this Bill before the House today.

Mr. Speaker, the system of Personnel Management that operates within the Cayman Islands Government today has served us relatively well over the years. However, as alluded to by the previous speaker, it has become increasingly clear in recent times that our current highly centralised approach to personnel management is simply out of step with modern management practices. It is also clear that the inflexibility of our current system is no longer conducive to good public sector performance.

The time has come—and, indeed, some would say it is overdue—for a new approach to human resource management to be implemented within all sectors of government. This Bill provides the legislative framework for the new approach, and I want to state, categorically as I speak, that it has the Government's full support.

The Acting First Official Member provided the Legislative Assembly with a detailed overview of the Bill and the major reasons for it. The reasons are to modernise the Government's human resource management system and to bring personnel functions into line with the Financial Management Initiative to create a single, coherent public-sector management system.

Without in any way wishing to diminish the importance of the modernising objective, I would like to focus my comments on the second objective; that is, establishing a single, coherent public sector management system.

Important as it is in its own right, this Bill should not be considered in isolation from the remainder of Government's management framework because, like any organisation, management of the public sector involves a number of elements. These would include strategy formulation, financial management, production management and, very importantly in the context of this Bill, personnel management. Well organised and effective management systems address each of these elements in a coherent way.

When the original design work for the Financial Management Initiative (FMI) was undertaken, one thing abundantly clear to those of us who were involved in it at the time was that no matter how we decided to reform our public-sector management arrangements, we needed to address all of the management elements in a way that they all not only supported but complemented each other.

The importance of coherence was perhaps the most important lesson to be learned from the re-

form experiences of countries such as New Zealand, Australia and the UK.

Mr. Speaker, as Members are aware, the Public Management and Finance Law establishes the overall framework for the public-sector management arrangements here in the Cayman Islands. In doing so it addresses most, but not all, of the key management elements. In particular, its focus is on the strategic financial and production dimensions rather than on human resource matters.

Now, Sir, this Public Service Management Bill being piloted by the Acting First Official Member addresses this deficiency. This Public Service Management Bill is the companion, and perhaps we could say the twin, to the Public Management and Finance Law. Together they provide a single, coherent integrated public-sector management framework for the core government sector.

I emphasise this point, Mr. Speaker, because the Public Service Management Bill has been deliberately drafted with the Public Management and Finance Law in mind, rather than as a stand-alone piece of legislation. In particular, the Bill is based on the same accountability arrangement as the Public Management and Finance Law. The processes specified in the Public Service Management Bill are linked directly to those and the documents which are established by the Public Management and Finance Law.

For example, the performance agreement and assessment processes specified in the Bill are directly linked to the budget documentation and the annual reporting requirements in the Public Management and Finance Law. This linkage is an example of what I referred to as the integrated and coherent nature of the twin pieces of legislation.

Another, and perhaps far more important, example is the delegation of personnel authority provided for by this Bill, which was well articulated and explained by the Acting First Official Member. Members will be aware that a fundamental feature of our financial management arrangements is the focus on outputs since we moved from the cash based system to the accrual system. The output approach provides a mechanism, not only for Cabinet and this Legislative Assembly to define clearly what they want delivered by way of their policy initiatives, but also a way to hold the civil service accountable for the delivery of those outputs.

However, if a chief officer is to be held accountable for the delivery of outputs in any meaningful manner, that chief officer needs to have sufficient authority over the inputs and the production processes used to produce those outputs. If the chief officer does not have this authority then he or she can rightly say that it is grossly unfair to hold them accountable for things over which they truly have no control. Unfortunately, that is the situation that obtains at present.

As we should also know, an essential element of an output management system is therefore the delegation of substantial input control to the chief offi-

cers. This is something we have known and recognised since the earliest days of the FMI reform effort. It is for this reason that the Public Management and Finance Law contains a provision vesting input authority in chief officers.

That brings me back to the importance of this Bill because, while the need for chief officers to have input authority is understood, the Public Management and Finance Law only deals with non-personnel inputs. As ministry and portfolio chief officers quite rightly point out, people are their major resource and their main means of achieving the outputs. While the Public Management and Finance Law addresses other input items, the existing personnel arrangements under the Public Service Commission Law mean that chief officers have very limited authority over the input that matters most—their staff.

Many—including me—have argued from the very beginning that FMI will only be able to operate properly when there is substantial delegation of personnel authority to chief officers and, as a result, onwards from them to heads of department. This Bill, I daresay, establishes the mechanisms for the delegation of personnel authority.

In this regard, the Public Service Management Bill is a very vital piece of legislation. Not only does it modernise our human resource arrangements, but it coherently addresses the missing piece of the public sector management puzzle (if I can describe it in that manner). While the delegation of personnel authority is important to the overall operation of the management system, it is also important to be mindful of the possible risks that can come with such delegation. I will say it in a different way than perhaps it has been said before: I believe that is perhaps the biggest reason why it is just coming now. I believe that it is because of an inherent fear of the possible risks that can come with such delegation of authority why others prior to this were not very keen to move forward. We therefore need to find a very reasonable balance in the extent of that authority delegated.

You see, Mr. Speaker, on the one hand, it needs to be enough to allow output performance to be achieved and effective accountability processes to operate. On the other hand, it needs to ensure that the rights of civil servants are adequately protected.

As the Acting First Official Member has outlined, this Bill establishes safeguards around the delegation of authority. These include due process requirements, an independent appeals process and the option to revoke the delegation in whole or in part if it is not used properly.

Time will tell, but I believe that the Bill strikes this balance well. The Cabinet (which includes the elected arm of Government and the official arm of Government) is very mindful of this. While we move forward we are certainly going to watch very carefully as we live this new piece of legislation and as we shape the future of the civil service with it to ensure that balance is maintained. If there are any deficien-

cies from the first piece of legislation, once it is recognised, we are quite prepared to act accordingly and correct wherever necessary.

Mr. Speaker, there is another element of the Bill which is also essential to the overall operation of the Public Sector Management System. This involves the provision relating to performance management. The key objective of the Public Sector Management Reform Program is (as has been well articulated by the Acting First Official Member) to improve public sector performance. Ultimately, performance is delivered not by organisations but by people. It is therefore essential that public servants are encouraged to perform well and to face the right incentives to do so.

One of the features of the old Public Sector Management System (under which we operate presently) was a lack of focus on performance as well as poor incentives to achieve it. The most obvious example, of course, was the increment and promotion systems which rewarded people for length of tenure rather than level of achievement.

A good performance management system must include different elements. It must include establishing clear agreement as to what level of performance is expected, monitoring and assessing performance achieved against those expectations, certainly rewarding good performers, and, of course, we will also need to address the needs of poor performers. It might well take this for there to be “proof of the pudding” where there is deficiency by way of tooling or schooling simply the level of competence that an individual may have.

That is not necessarily the end of the world. That does not mean that a person is going to be replaced. What it simply means is that you recognise that deficiency, and the person will also recognise the deficiency, and you allow that individual to tool him or herself to perform the job he or she is tasked with well. That is something for which the battle has gone on and on forever. I believe now we will be able to see the reality of this. It is beneficial to all concerned, not just the civil service collectively, but to those individuals involved because it will, perhaps for the first time, really equip them for the job at hand.

Performance management mechanisms reflecting this approach are contained in this Bill. They include the performance agreement and performance-assessment processes, the introduction of a performance-related remuneration component which will begin in 2007/2008, and, of course, it will have to include the ability to dismiss civil servants for consistent poor performance after all attempts have been made.

Mr. Speaker, I would just like to touch briefly on two other important aspects of this Bill. The first is the establishment of the Public Service Values and the Public Servants' Code of Conduct.

In the course of the debates in the 2005/6 Strategic Policy Statement and the 2005/6 Budget, I outlined the Government's eleven outcome goals. Outcome goal number ten is “Open, Transparent,

Honest and Efficient Public Administration.” As I have said before, outcome number ten is an important outcome for the Government because it reflects the manner in which the PPM administration wishes the Government to operate. It is the outcome that best reflects the philosophy and approach we wish to bring to this business of government.

The Public Service Values and the Public Servants’ Code of Conduct reflect outcome number ten. Together they indicate the attitude, approach and behaviours that we as a Government want to exhibit and that we expect from the wider public service. Their codification in law is, in my view, a very significant aspect of this Bill, Sir.

Another set of important clauses are those relating to political interference. As the Acting First Official Member has outlined, these clauses are designed to discourage politicians from interfering in input decisions or the rendering of free-and-frank policy advice. This is consistent with the output accountability arrangements which I spoke to earlier.

Clauses 22 and 23 also reflect the PPM’s election manifesto promise to recognise and respect the role of an independent and impartial civil service. They also reflect a second manifesto promise, and that promise was to extend—or rather ... Mr. Speaker, I could not have made a more, very serious mistake. The promise was certainly not to *extend*, but to *end* intimidation of the public and civil servants by Ministers and Members of the Legislative Assembly.

Clauses 22 and 23 provide specific remedies for civil servants should any attempt at intimidation be made. Mr. Speaker, not only is that fair, but it is right to do so. We all know where the lines are drawn, and we all know the Constitutional arrangement, and we all should have total regard and respect for those arrangements.

I conclude by reiterating some key points: This Public Service Management Bill is the twin to the Public Management and Finance Law, and I daresay it is long overdue. The Bill modernises the Government’s human resource practices and its policies. More importantly, it addresses the essential missing elements of the Financial Management Initiative to establish a single, coherent, integrated public-sector management framework in the Cayman Islands.

As with all major reforms, and as has already been stated by the Acting First Official Member in his concluding remarks, there will no doubt be wrinkles that will have to be addressed and ironed out over time. However, we take the view, and we are firmly convinced that this Bill represents a major step forward in our never-ending goal of improving public sector performance.

Thank you very much, Mr. Speaker.

**The Deputy Speaker:** Honourable Members, it is my understanding that it is the wish of the Government to adjourn at this time—and that has the support of the Opposition—until Monday.

At this time I call on the Honourable Leader of Government Business for the motion for the adjournment.

## ADJOURNMENT

**Hon. D. Kurt Tibbetts:** Thank you, Mr. Speaker.

If you would allow me to just quickly say, there are Members who, unfortunately, are away and we would not wish to deprive them of the ability to debate this very important Bill. Also, by now I guess we know of the difficulties that some residents of the Bodden Town district are experiencing because of the rising water levels. We wish to visit and get the troops together to see if there is anything that we can do in the immediate interim. This adjournment will allow us to be able to do just that, Sir.

Accordingly, I move the adjournment of this honourable House until Monday morning at 10 am.

**The Deputy Speaker:** The question is that this House do now adjourn until Monday at 10 am.

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

**Ayes.**

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

This honourable House stands adjourned until Monday, 7 November.

**At 1.33 pm the House stood adjourned until 10 am Monday, 7 November 2005.**



**OFFICIAL HANSARD REPORT**  
**MONDAY**  
**7 NOVEMBER 2005**  
**10.24 AM**  
*Eleventh Sitting*

**The Speaker:** I call on the Fourth Elected Member for the district of West Bay to grace us with Prayers.

**PRAYERS**

**Capt. A. Eugene Ebanks:** Let us pray.

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

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

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

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

**Proceedings resumed at 10.26 am**

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

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

**Apologies**

**The Speaker:** Before I offer apologies for late arrival, I would like to welcome Mr. Cline A. Glidden, Sr. back

to the Chamber and to thank him for agreeing to serve as Serjeant-at-Arms for the remainder of this meeting.

I have apologies for the late arrival of the Honourable Minister of Health and Human Services and the Second Elected Member for the district of West Bay.

**PRESENTATION OF PAPERS  
AND OF REPORTS**

**Financial Statements of the Cayman Islands Stock  
Exchange for the 18-Month Period Ended 30<sup>th</sup>  
June 2004**

**The Speaker:** I recognise the Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

I beg to lay on the Table of this honourable House the Financial Statements of the Cayman Islands Stock Exchange for the 18-Month Period Ended 30<sup>th</sup> June 2004.

**The Speaker:** So ordered.

Does the Member wish to speak thereto?

**Hon. G. Kenneth Jefferson:** Yes, thank you.

Madam Speaker, the 18-month period, ended 30<sup>th</sup> June 2004, has been a positive period for the Cayman Islands Stock Exchange, with continued interest in listings on the Exchange despite difficult world markets. At the 30<sup>th</sup> June 2004 listings on the Exchange totalled 710; 620 of which were in respect to mutual funds. The total market capitalisation was US\$51 billion at the end of the period, of which US\$45 billion related to mutual funds. The Exchange's audited financial statements for the 18-month period received an unqualified report by Deloitte, its auditors, and the Auditor General.

The figures shown in the financial statements are in Cayman Islands dollars, and the amounts that I shall mention hereafter are in Cayman Islands dollars.

The Exchange's total revenue showed an increase to \$1,206,844 for the 18-month period, which is an increase from the \$741,045 for the 2002 year. The operating expenses totalled \$1,386,970, bringing the net operating loss down to \$180,126 for the 18-month period, whereas the operating loss for the 2002 year was \$231,765. This reflects a steady path to self-sufficiency.

The grant received from Government for the 18-month period was \$270,746. This was proportionally lower by 10 per cent from the \$199,560 grant received for the 12-month period that ended in June 2002. A dividend of \$58,415 is proposed to be paid to the Exchange's shareholder.

At 30<sup>th</sup> June 2004, the Exchange had seven listing agents following the addition of one more listing agent in June 2004. Since the end of the 18-month period, two additional firms have joined as listing agents. The number of broker members also increased to a total of eight during this period. There were five at 31<sup>st</sup> December 2002. Of the three new members, two joined as remote broker members with headquarters in New York.

In September 2003, the Exchange developed and implemented a crossing facility open to broker members wishing to execute trades in US Securities on the Cayman Islands Stock Exchange after US trading hours. The two new remote broker members registered with the Exchange in order to take advantage of such a facility. The income from the crossing market amounted to \$44,104 by June 2004.

In its continuous pursuit of international recognition and membership, the Exchange realised two very important goals during the 18-month period.

In October 2003 the International Organisation of Securities Commissions (IOSCO) voted at its annual conference to approve the Exchange as an affiliate member, which is the only category of membership open to exchanges. On 4<sup>th</sup> March 2004, the Exchange was designated as a recognised Stock Exchange by the United Kingdom's Inland Revenue allowing securities listed on the Exchange to benefit from tax exemptions. This recognition resulted in a noticeable increase in new listings, both of mutual funds and debt securities, as well as in a number of listing agents that I mentioned previously. This trend is continuing well into the new financial year.

The management of the Exchange is anticipating that the Exchange will have grown at a faster rate during the 2004/5 financial year, mainly as a direct result of the United Kingdom's Inland Revenue recognition subject, of course, to the performance of the major global economies and financial markets.

Thank you, Madam Speaker.

**The Speaker:** I have received notice of statement from the Honourable Minister of Tourism, Environment, Investment and Commerce.

## STATEMENTS BY HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

### Efforts to Manage Cruise Volumes on Overscheduled Days

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

As honourable Members are aware, when I took office on 18 May 2005, one of the pressing issues before my Ministry was the scheduling of cruise ships in George Town and the concern about the large number of ships approved during the UDP Administration for certain key days towards the end of this year and into the first few months of 2006.

During my very first meeting with the Florida Caribbean Cruise Association (FCCA) held at the beginning of June in New York, I raised the issue and discussed the urgent need to address it. At a follow-up meeting in Miami later in June, the issue was again formally raised with the FCCA member lines and the Government asked them to identify opportunities to reduce the number of cruise ships scheduled to call on Grand Cayman, especially on those days with nine or more ships. The member lines agreed to look at their schedules and to discuss creative ways to manage the operations and the guest experience on the problem days.

During a meeting in Grand Cayman on 25 July, we toured the Royal Watler Cruise Terminal and discussed the capacity and tendering challenges nine or more ships would create, in addition the onshore challenges of accommodating so many passengers on the same day. At that meeting, the member lines identified two main approaches to reduce the number of ships in port on the particular Thursdays in question. The first was to swap their call dates from Thursdays to the less busy Wednesdays and, secondly, to research the possibility of staggering their call times in port.

I am pleased to report that in the weeks that followed, the Department of Tourism and the Port Authority worked with the member lines of the FCCA to reduce the numbers on the problem days, particularly on the Thursdays between 27 October and 29 December. We were able to reduce the total number of ships from 65 to 53 on those Thursdays. More importantly, it means that on these problem days there will be fewer passengers disembarking at the George Town Port. The reductions range from 1,625 passengers to a reduction of 5,325 passengers on a single day.

Unfortunately, the number of approvals issued before I assumed responsibility for tourism, coupled with the size of the new larger ships, means that despite these efforts we will still have a number of days where the total number of cruise visitors will exceed 16,000. There are also days that, notwithstanding the fact that the total number of ships is seven or less, the passenger count is still particularly high because of the size of some of these ships. This happens on six days including, for example, Tuesday, 20 December when we have a total of 18,829 passengers, and on Wednesday, 21 December when we have a total of 20,158 passengers.

In an effort to manage the guest experience and the logistical challenges with ground transfers, shore excursions and pedestrian traffic in George Town, the Department of Tourism is working to organise a central daytime activity to provide additional things for several hundred of our cruise passengers to simultaneously participate in and enjoy. The Department of Tourism is working with the owners of the former Almond Tree site to organise a Cayman Heritage Fair with a variety of things to do—live entertainment, food and cultural displays. The first of these Heritage Fairs is scheduled for Wednesday, 30 November. In the meantime, we will set up a smaller scaled version of this at an alternate site starting on the first problem day which happens to be this Thursday, 10 November.

I can also confirm that we have received requests for 16 additional cruise ship calls as a result of the damage caused by Hurricane Wilma to Cozumel and Cancun, Mexico. I am pleased to report that we have been able to schedule those additional calls on days which we have three or less ships already scheduled and, therefore, these approvals will not present any overcrowding issues on those days.

It is worth noting that some of these high-volume cruise days fall during the peak Christmas shopping period. My Ministry is already in discussions with the Chamber of Commerce to address this situation by creating opportunities for merchants to adequately serve both local and visiting shoppers. In addition to DoT's efforts to address daytime congestion among cruise visitors, the Ministry will work with the Chamber of Commerce to create incentives for more nighttime shopping by residents during the Christmas season.

We have talked about enhancing nighttime activities downtown and the Christmas shopping period provides an excellent opportunity to do this. With the cooperation of local merchants to extend their opening hours during the Christmas season, the Ministry will work with the Chamber of Commerce to create activities to help encourage resident shoppers to do some of their Christmas shopping in the evenings.

In concluding, I wish to thank the staff of the Ministry and Department of Tourism, the Port Authority, our partners in the Chamber of Commerce, and the FCCA for their efforts in mitigating the impact of over-scheduling of cruise ships on certain days. Even as I speak, the staff of these agencies continues to work on the problem and I am grateful to all of them for their hard work. Notwithstanding these efforts, we will still have challenges and congestion on those problem days and I ask the public to bear this in mind, to exercise extra caution when driving around George Town and to be patient with our cruise passengers which will help us in helping them to have the best onshore experience possible.

There is still much to be done to better manage cruise tourism, but this PPM Administration can be proud that we have initiated several programs

which are designed to achieve that goal and to ensure that in the future we do not adopt cruise ship policy decisions—such as the UDP Administration's policy decision—which has presented this significant problem for us to tackle today.

I thank you, Madam Speaker.

## GOVERNMENT BUSINESS BILLS

### SECOND READING

#### The Public Service Management Bill, 2005

*(Continuation of debate thereon)*

**The Speaker:** Continuation of the debate of the Second Reading of the Public Service Management Bill, 2005. Does any other Member wish to speak?

The Second Elected Member for the district of Cayman Brac and Little Cayman.

**Mr. Moses I. Kirkconnell:** Thank you.

Let me take this opportunity to welcome you home, Madam Speaker, and trust that you had a pleasant trip both personally and on behalf of our country. We thank you for that, Madam Speaker.

I rise in support of the Public Service Management Bill, 2005. The current General Orders under which the Public Service operates were written many years ago and modelled from the old Colonial regulations. Over time, various sections of the General Orders have been amended along with at least two general revisions being commissioned during these years.

The Government Budget is approaching \$400 million per year and Government must compete with some of the largest corporations, not only in our Islands but in the world, for the human resources to manage and move this country forward. I am sure you will agree, Madam Speaker, if the Public Service is to face the challenges of the 21<sup>st</sup> Century and the ever-changing world, then modernisation of the rules that govern the Service is timely and, indeed, imperative. I emphasise that this modernisation seeks to put civil servants at par with their counterparts in other jurisdictions and the private sector.

I would like to repeat that: This modernisation seeks to put civil servants at par with their counterparts in other jurisdictions and the private sector.

We have already seen the successful decentralisation of the Budget take place within the Service. This Bill now seeks to decentralise and provide autonomy to human resource management and delegates that authority to chief officers (or permanent secretaries as they are commonly known) as well as other persons set out in Part I of this Bill.

As I follow the line of reasoning this Bill brings to the Table, it is my obligation to ensure that Cayman Brac and Little Cayman share in this decentralisation

process. In Part I (on page 15 of the Bill), the term "chief officer" is defined as the permanent secretary of a ministry. I would ask the Mover of this Bill, in his conclusion, to share with this honourable House where our District Commissioner and Assistant District Commissioner fall within this description. I trust the District Commissioner will be categorised as a permanent secretary or chief officer to enable Cayman Brac and Little Cayman civil servants to benefit from the decentralisation and to provide for them a new level of autonomy.

In June of this year the District Commissioner's team, along with the Leader of Government Business (the Minister responsible), recognised the need for three additional customs service positions for Cayman Brac and Little Cayman. The process to fill these posts is as follows: When the post becomes vacant the head of the department must advise the Personnel Department in Grand Cayman of the post. The same applies if a new post is being created. The post must be advertised internally, locally and overseas. If advertised internally and candidates are identified, then there is no need to advertise locally or overseas. However, if advertised overseas then it must be advertised locally and internally. Advertisements must appear internally and locally at least twice and must have a two-week deadline. Ads must appear overseas only once with a two-week deadline.

Once applications are received, they are all passed to the head of the department who must prepare a short list. However, before so doing, personnel must acknowledge each and every applicant in writing that his or her application has been received. Applications can be returned to personnel for interviews to be arranged or the head of department can arrange the interview. Once the interviews are completed by the interviewing panel, a report is compiled and that report is submitted to the Public Service Commission in Grand Cayman. The Public Service Commission then meets and either accepts or rejects the panel recommendations. If rejected, the Public Service Commission in Grand Cayman may either recommend the reserve or ask that the post be re-advertised or suggest that the panel interview some other candidates.

Minutes of the Public Service Commission meeting are then prepared and passed to the Chief Secretary; this authority is vested in him by the Governor. Some delays can be experienced during this time; however, the process usually takes two weeks. The Chief Secretary accepts the Public Service recommendation and then the report is returned to personnel who is responsible to contact the successful candidate, make a salary offer and heads of department are informed of the process at this juncture. Unsuccessful candidates are then advised in writing.

I think it is clear at this point that if you identify a need, that need is identified for that day, that week and even that month—it is not identified for six months. The process that takes place now neutralises the effectiveness of the administration in Cayman

Brac and Little Cayman in allowing them to get the proper people that they want to bring in to work. I think this is a clear example of the process that will be improved by this Bill. That is why I felt was important to bring it to your attention, Madam Speaker.

We are entering the sixth month since these posts were identified and the positions are still vacant. This is only one example of why I feel it necessary to ensure the District Commissioner will be considered a chief officer, allowing Cayman Brac and Little Cayman to reap the benefit of this new system.

I also support this Bill as I believe it will offer a modern and effective management tool in order that civil servants are paid according to their job performance. Likewise, non-performers will not be rewarded. Who better to assess and evaluate the performance of staff than those persons to whom they directly report to on a daily basis?

However, as I read this Bill, we need to be sure those civil servants to whom this responsibility falls will be properly trained and provided every resource and support necessary to empower them to undertake this new responsibility and that they are given an opportunity for salary and career development. To my knowledge principal secretaries have never had to undertake human resource management within their present roles. Therefore, I trust that no effort will be spared to ensure that these managers will be successful in their new roles.

One area of the Bill has caused me some concern, that is, the role of the Civil Service Association, or Staff Association as it is known in other organisations. The Civil Service Association has played a crucial role through the years within the civil service, serving as a bridge between management and staff and we must protect this valuable tool.

I hasten to add that I am pleased to see that an appeals process has been provided for in sections 53 and 54, and civil servants will be able to voice their complaints through this avenue. I believe that shows even more so why the Civil Service Association is so important. Before you exhaust going through an appeals process, you have the Association that can bridge the gap and avoid the process.

I would like to make certain that the role of the Civil Service Association is formalised in some way, and I trust that this will be dealt with in the regulations if not provided for in the principal Law.

In summary, first I believe this Bill will support the Civil Service in a professional, transparent, accountable and efficient manner. Second, my comments regarding the District Commissioner are made in a constructive way to be sure Cayman Brac's and Little Cayman's civil servants enjoy the benefits of the Bill. Third, I want to make certain that the proper training for these new responsibilities is available and compulsory for the chief officers. Lastly, I acknowledge the valuable contribution the Civil Service Association has made over the years, and I want to stress its significance as we move forward.

It is with these few comments that I end my contribution in support of the Public Service Management Bill, 2005.

Thank you very much, Madam Speaker.

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

The Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker.

I rise to offer my support to this Bill that will give the Civil Service new life. New life is what you give to something that is important to you. Our Civil Service is one of the most important entities concerned with the effective management of the affairs of our country. This Bill, entitled The Public Service Management Bill, 2005, is very much needed and is long overdue. The Public Service Commission Law of 1976 and the Public Service Regulation of 1985 have served this country well. At the expected passing of this new Bill, these two old but familiar documents will be repealed, but will forever be an important part of our history. I am sure many of our older civil servants will be saddened by their departure as they, along with the General Orders, have been their guiding light from the moment they stepped through the doors of the Civil Service.

We have matured as a nation beyond the effective usefulness of the current system. We are at a crossroads, a new era. The world around us has changed and left us behind. The time has come for the management and productivity of our civil service machine to be as efficient as humanly possible. The legislative framework that will propel us to that point is in this Bill.

The leader of Government Business, in his contribution, said that one of the reasons for this Bill is to bring personnel functions inline with FMI, to create a single, coherent public sector management system. I commend the Leader of Government Business for sticking to what he believed in when he began this journey many years ago to help us to get our civil service into a position where it would be the envy of the rest of the world.

This honourable House embraced the FMI legislation, understanding full well that it was not complete and would not serve its intended purpose without this piece of companion legislation. Madam Speaker, I completely understand how difficult it is for us as individuals to accept minor changes in our lives. Therefore I will not be so naive as to believe that the entire civil service will embrace this overhaul of their system with open arms. I can only say to them that, from my point of view, this is the perfect opportunity for them to be able to finally take control of their own destiny as civil servants.

The current system is made up of civil servants, some extremely dedicated and committed to

the service. These individuals are considered to be super productive and continue to carry the weight that others should be helping to carry. There are some that do just enough to get by, are at work on time every day, but they will not stay one minute after closing unless they can claim overtime. There are others who come in late, do very little during their required hours at work, leave early if you let them. And they also try to claim overtime. These are the same individuals who always complain that the system is so unfair because many of them get passed up for promotions.

Some are extremely capable individuals, others are capable, and some are not so capable. Some try, some put all the effort into trying to be a good civil servant and there are those that do not bother simply because they are protected by the system. However, the current system dictates that all individuals I have just described be treated equally, regardless of how they perform. Now I ask: Where is the equality in all of that?

There are many other scenarios that I could remind you of today, Madam Speaker, but you know the stories better than I do. The Public Service Management Bill will cause the civil service to be much more efficient, more productive and more respected. This Bill will cause the civil servants to feel much better about themselves. This Bill will paint a clear path for every member of the civil service to make meaningful contributions and, in turn, be justly rewarded for his or her efforts.

With this new remuneration-for-performance system in place, the dedicated and contributing civil servants will begin to feel much more appreciated, but at the same time will experience greater satisfaction for what they do than they ever believed possible in the service.

The Bill will usher in a brand new style of management and demands the highest levels of accountability, something that has been sadly lacking in our civil service. You produce, and the system recognises and rewards you. Simple. The system calls for an annual performance agreement for each civil servant. When the year starts, the civil servant will know what is expected of him or her, so for the next 12 months there is the ability to continue checking on progress. At the end of the 12-month period no one should have to tell you how well or how badly you have performed.

Chief officers, permanent secretaries and department heads will now be authorised to hire their own staff since they will also now be held accountable for their performance and productivity of their area of responsibility. I think this is only fair. In truth and in fact, large sections of the civil service have been crying out for this provision for a long time.

The system also has many built-in safeguards that will not tolerate any type of abuse of the system or, more importantly, will not tolerate abuse of civil servants. Above all, the rights of the civil servants must be protected, for no matter how good or ad-

vanced a new system is, the human element is what makes a difference. The success of all the planning still lies in the hands of our civil servants; they must be treated fairly.

I know that some will not fit in with the new system and a small percentage of them will probably move on to another career, or perhaps retire. A very good friend of mine reminds me every chance he gets that change brings casualties. I only hope that we can keep them to a bare minimum. I believe that this Bill is a good piece of legislation and that it will serve this country, the service, and our civil servants well. I humbly ask the civil servants to embrace it and give it some time to work.

I also caution management to be patient and understanding during the transitional period. The worst thing that could happen now is for some maverick soul to start shouting and pounding his chest with his newfound authority and responsibility. The system will not tolerate that either.

I would like some clarification on a few matters that are not very clear to me. The answers may have been provided (perhaps I missed them), but I will mention them anyway and beg forgiveness at the same time.

With your indulgence, Madam Speaker, I would like to read [Part] V, *Duties, Responsibilities and Powers of the Head of the Civil Service*, section 23(1) and (2): **“23. (1) If, at any time the Head of the Civil Service is of the opinion that political pressure is being placed on a chief officer, or a person with delegated authority from the chief officer, by a Member of the Legislative Assembly other than a Minister or Official Member, the Head of the Civil Service shall advise the Leader of Government Business or the Leader of the Opposition, as the case may be, of his concerns and request that the Leader of Government Business or the Leader of the Opposition, discuss the matter with the Member concerned.**

**“(2) If, following the actions required by subsection (1), the Head of the Civil Service is still of the opinion that political pressure is being placed on a chief officer, or a person with delegated authority from the chief officer, by a Member of the Legislative Assembly other than a Minister or Official Member, the Head of the Civil Service shall advise the Governor of his concerns who, after consultation with the Leader of Government Business and the Leader of the Opposition, as the case may be, may issue an instruction to the relevant Member to desist and the Member shall do so.”**

**The Speaker:** Honourable Member, I thought you said section 5, but I am unable to find what you are reading.

**Mr. W. Alfonso Wright:** Part V, Madam Speaker. Part V, section 23. Actually, it is on page 29.

**The Speaker:** Thank you very much. Continue.

**Mr. W. Alfonso Wright:** Thank you.

I read that because, and perhaps it is implied in here but it does not make provision for addressing the problem if we have independent Members in the Legislative Assembly since it relates to the Leader of the Government Business and the Leader of the Opposition as referees of sorts. I would just like to point that out now, and in the wrap-up we can know whether or not that needs to be addressed. It is a minor point.

Part VI, section 26(2) at page 32: **“26. (2) The Head of the Civil Service may reappoint a chief officer who has reached the end of a fixed-term employment agreement and such reappointment shall be made in accordance with the provisions of personnel regulations relating to reappointment of civil servants who have reached the end of a fixed-term employment agreement.”**

I mention that to query whether or not younger civil servants may be in a position to take up that responsibility and whether or not the regulations should allow that provision to be looked at first. If there is nobody else in line to move up to that position, then reappointment could be reconsidered for that member who has reached retirement age. It should also relate to civil servants who may be on contract as well and have come to the end of their contract term.

Section 29(1)(b) at page 33 states: **“(b) significant inadequate performance (compared to performance agreements) over a period of at least 12 months and provided that there has been adequate opportunity for the chief officer to improve his performance to the required level.”**

Again, it may be a minor point but I think 12 months is a long time. I think that, perhaps, we ought to reconsider that and maybe that evaluation period could be cut to six months. Much damage could be done with an ineffective civil servant in a 12-month period. It is merely a suggestion, and maybe we can look at that and see whether or not 12 months is really too long a period.

Under Part VII, *Personnel Arrangements for Staff*, section 41(5) and (6) provide: **“(5) Upon the closing of applications, the appointing officer shall prepare a shortlist of suitable candidates for interview consisting of at least two persons who, in the opinion of the appointing officer, have the qualifications, skills, knowledge and experience necessary for the position.**

**“(6) Persons shall be placed on the shortlist only on the basis of their qualifications, skills, knowledge and experience and if the appointing officer is of the opinion that no candidate satisfies the requirements for the position, the appointing officer must re-notify the vacancy under subsection (4) as if it were a new appointment.”**

I pause there because I wonder why, if there is one qualified candidate, we would not take advan-

tage of that opportunity and refrain from re-advertising when it may just be one of those jobs. I do not want to tie the system up where you back into the bureaucratic machine of having to re-advertise all over again when there is already a suitable candidate. That is another one I would like them to reconsider.

The same Part VII, section 50(2) reads: “(2) **The performance of each staff member, other than a staff member referred to in subsection (1), is to be reviewed at the end of each financial year by means of an annual performance assessment undertaken by the relevant head of department, or other manager in the civil service entity and involving the staff member concerned.**”

Maybe it is implied, but it does not say how or who would perform an evaluation in the case of a transfer where a staff member worked for six months in one department and was then transferred to another department. Who would do the assessment? Should an assessment be done at the point when a member is transferred so that the new chief officer would have that information on file when the time comes? I believe we should address that.

I would like to thank the Acting First Official Member for his quality presentation of the Bill. It was quite heartening to hear and feel the passion that he has for this. It is quite evident to me that he is one of those civil servants who came into a system he did not view as very efficient. He had the tenacity to stick with his beliefs and not simply become consumed by the system, and he kept up his fight for necessary changes. I believe this proves to all of us that this is a very capable individual who the system should embrace and acknowledge for his intelligence and love for the service. I have a tremendous amount of respect for him and I think that he has a very positive contribution still to make in our service for years to come.

I think it is quite obvious that the PPM Government is in total support of this new Bill. I close by, once again, appealing to our civil service to accept this as a positive move and to understand that there are benefits for everyone, the civil servants and our country. I can find nothing wrong with this system; it simply allows you to make positive contributions, to do your share, put in your fair day's work and be rewarded accordingly.

I give my total support to this Bill, Madam Speaker.

Thank you.

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

If no other Member wishes to speak . . . the Third Elected Member for the district of George Town.

**Ms. Lucille D. Seymour:** Thank you very much, Madam Speaker, and welcome back. You were certainly missed here, although the Deputy Speaker did

hold on very well for you. He really did not give us any trouble at all. I wonder if he drew a little closer to the PPM, which would mean we would have two Speakers! Anyhow, I know you will give a little leverage to what I have just said, Madam Speaker, because you are reasonable.

I do not know if I should say this here, but at 12 o'clock the George Town Members have to be at the Heritage along with the Acting Governor. I do not know what the procedure would be, but I hope that at that time you will allow us to leave.

**The Speaker:** Honourable Member, how long will you be away from the Parliament?

**Ms. Lucille D. Seymour:** I really do not know how long the Leader will be. I think we will be there for, perhaps, the lunch hour.

**The Speaker:** It is my intention to suspend at quarter to 12, and it will be the responsibility of the Member speaking at that time to continue until the House suspends for lunch. Whatever the situation is at that time, we will have to play it.

The Honourable Third Elected Member for George Town.

**Ms. Lucille D. Seymour:** Thank you, Madam Speaker.

To discuss this Bill, for me, is quite historical and somewhat emotional. I too spent an inordinate amount of time—33 1/3 years as a matter of fact. Like the Acting First Official Member, the mover of the Bill, I have experienced many changes in terms of how the civil service works.

First of all, let me thank the Acting First Official Member for delineating the Bill in such a way that was easy to follow and comprehend, and where he added his own points it meshed very well with the Bill.

I would like to bring to his attention that quite a long time ago, the PPM talked about good governance. As a matter of fact, I remember when the now Minister of Education, Training, Employment, Youth, Sports and Culture, in his usual oratory way, said, *'And we shall pull down the shutters of the Glass House and let the sun shine in'*. What he meant by that is good governance—bring openness and transparency into public administration; end the culture of secrecy in Government; eliminate corruption in Government; conduct the state of affairs; and the list goes on.

I know about two years ago the Chief Secretary, the Honourable George A. McCarthy, spoke about the changes that would come in the modernisation of the civil service. I do not wish to stick on the law and go part-by-part and statement-by-statement, but I would like to give a little historical perspective of the civil service. I think we need to know why there is a civil service and the role and function of it. Some people may think this is just the beginning but, as a

matter of fact, when I was growing up the civil service was the shaker and mover of everything. We did not have what we call a “private sector” per se, making any changes or setting the tone for how we lived. It was the civil service then that operated under the regulations which have changed over many years.

The civil service—the public service, public servants, public officers or whatever we want to call them—set the tone for the country. It is the entity that people look at when they come here to see what really happens in the country, what the protocol is, how we do business and so on. In other words, it is the prime national business in any country. I would like to see that this Bill really does what it is said to be doing—modernising.

I would like to focus on human resources because at this time it is an important aspect for us to discuss. Over the last couple of years the financial angle of the civil service has been well put together. I have followed it with interest, and I know the Leader had a lot to do in the beginning of this and it has done very well. As legislators, it has given us the opportunity to be accountable for the “people’s purse”. However, in the meantime, any organisation has two areas: the rules, norms and performances; then the people. In order for us to have equilibrium they must balance. I believe what the Mover of the Bill is doing is ensuring that there is this balance in the civil service where people make it happen. In “delegating the powers”, as we may say, in organisational management, delegating the authority of the Governor to the chief officers and the heads of department is an historical time in our country. Over the years they have been asking for that latitude, not so much the responsibility but the authority.

I am so happy that the Bill has come in my time so that I can support it as well as make a few comments. I do not intend to offer negative remarks, but I want to offer a few cautions. However, before I go into that, one of the greatest things that I have seen in that Bill, outside of the fact that the people are important, is the whole question of the public values and conduct. That is of high importance. Many people may not understand why that is there, but here is an entity, an organisation that must set the tone for how this country works. It must have values, a code of conduct and ethics. It begins with us in the legislature and the top civil servants. We must practice it because it is only through this example that other civil servants will model. So I am so happy to see that.

It is quite long, but I advise the Acting First Official Member that when they carry out the performance appraisals those values and codes of conduct are contained therein. Otherwise, it does not make sense for us to have a law with all those parameters and then not apply them when assessing people and how they interact, as well as assessing all other aspects.

The Public Service Commission has done an excellent job with the help of successive Governors

over the years. Governors have entrusted the responsibility and authority of the civil servants to the Public Service Commission who, in turn, has hired, fired, promoted, transferred and so on. They did an excellent job for the time, and I would like to take this opportunity to thank them. They were the protectors of Caymanians; they were the ones who ensured Caymanians were given first preference, as I notice in the Law. If our selection process is done correctly, we have no other recourse but to ensure that there is Caymanisation within the civil service. Where else should it be?

Many countries have stated in their law that it must only be their nationality. However, in our Law I noticed we are saying that if there are two persons who are of equal worth, the Caymanian must come first. I do not agree with that part. I believe it must be our intention to ensure that the civil service is Caymanised. Whether it is Caymanised by born Caymanians or Caymanians by status that is irrelevant to me—but it must be Caymanised.

I am going to show you something, Madam Speaker: Under the rollover policy, if someone has seven years (or whatever the required number of years is) and they have reached the point where they have to go, they can be admitted into the civil service for the next year since the Government is not responsible for Immigration. If we are not careful they can then become residents under our current rules.

I do not want people to misunderstand what I am saying, but this honourable House has to protect Caymanians. We must be careful in our selection of outside people when there is not an advertisement first inside the civil service as the Second Elected Member for Cayman Brac and Little Cayman mentioned. When we openly recruit and interview people from the outside, this is what will happen. I merely make a suggestion to the architects of the Law, or to the Mover . . . that is a loophole right there because Government is not beholden to the Immigration Law.

In terms of retention, I believe we must take various measures in order to retain our civil servants. After all, we do have what you call “career civil servants” and what I term “senior positions” and “senior jobs.” To this end I now introduce a new point.

In order to Caymanise the service I believe we should return to the practice of bonding because we need to capture skill in our civil service—and it cannot be done solely by thinking a Caymanian will apply. In order for us to ensure that we Caymanise and retain the service, when we issue our scholarships to our students we can look at certain specialised posts we seek to bond. We could bond these positions for three years, but when candidates come we have to offer incentives for them to stay. As the Fourth Elected Member for George Town pointed out, we need to look at their promotability. We recruit these young people after they have studied and we bond them. We treat them nicely in the civil service and encourage them to remain civil servants.



Additionally, we should show them the organisational chart as to where they can go, how they can advance in the service and what they would need for growth. If we simply bring them in because we want them to stay for three years, they will look outside for more lucrative positions. I am not so sure they are more lucrative, but sometimes they want a different environment. If we place the organisational chart in front of them, they will know where they can land and what it is they would need in order to do so, whether it is in the specialised, professional or administrative field.

I see where the Law squarely places responsibility on heads of department and chief officers, who delegate duties and authority, to ensure that they train, evaluate and assess their employees. According to this Law, it is not the dollars and cents that will make the civil service very competitive, it is the people who have the skills, who are committed and have room for growth. I agree with this Law and I think it is timely.

There is also the question of the annual performance assessment. Some time ago some civil servants performed human resources. Some did very well, some got merit, some acquired distinction; they did their Masters in Human Resources. I hope that in all of this I will see them interspersed around the civil service because in order to promote somebody, one of our requirements is that they must be skilled.

I would like to read something from one of those dissertations. It is an excerpt I photocopied which I will read from.

**The Speaker:** Honourable Member, I do require that you lay those excerpts when you are finished, including the name of the document, please. Thank you.

**Ms. Lucille D. Seymour:** Yes, ma'am. Sometime ago a group called Wyatt and Cooper performed an assessment of our country's civil service. The author writes, "**According to Wyatt and Cooper, 'the most frequently cited irritant' among the large cross section of stakeholders to whom they spoke about Human Resources (HR) was the lack of a performance management culture in the Civil Service. A particular aspect of this was the perceived failure of managers in the Civil Service to deal with problems of poor performance and discipline. Stakeholders agreed that there was a performance management system in place which reflected modern best practice in appraisal techniques. The issue was with non-compliance with the requirements of the system and with the lack of "honest" appraisal. The only other criticism leveled against the performance appraisal system by a few senior personnel was that it was too much of a 'one size fits all' and was too sophisticated for use with junior staff and industrial staff.**"

Since then, Madam Speaker, there has been an adaptation of that model. I looked at that model as

well, and I noticed that the Public Service Law is attempting to bring about the whole issue of the social aspect of the organisation, which is about a people that should be included in the assessment modification.

The assessment, as far as I interpret it, is on the performance agreement, that is, the work that you must do. There must be another interspersed in that, what you bring to do that work. The human aspect is what the Law is talking about, the honesty, integrity, and so on, which are immeasurable. In one instance in the Law, the only way I see that we could do that is to ask our civil servants to declare their interests so there is no question about honesty and integrity of civil servants, and we have heard all sorts of things.

In terms of the performance appraisal, this is not so much the chief officer but those heads of department who are going to have to do a lot of work, which is the crux of the matter. It is not so much the chief officer, as far as I can see, the chief officer is a permanent secretary or equivalent. They are not the ones who have to go through those hundreds of personnel. However, that is where that training must be. My advice to the architects of this Law and those who will ensure that it is implemented is that training is primary in all of this.

I am surprised that we did not pilot this project. I know people may disagree with what I am saying, but it is an enormous task. This is not just saying that when you get up tomorrow you will do it. This is a lot of work and it will cost a lot of money. Perhaps we may have been able to pilot it with two ministries so as to get the 'kinks' out of it, in particular, with the assessments and so forth, although not so much the performance agreement because that is almost completely laid down already. We perhaps should have piloted it. I stand to be corrected on that.

The other issue regarding the performance agreement and assessment is that the Law states that we will not pay people for doing well or give them incentives until 2007 or 2008, and since the Leader of Government Business is the greatest mathematician I know perhaps he can answer a question for me. I now notice the Second Elected Member frantically writing, so I am sure he will have a point.

We froze increments in 2000, this is now 2005, and we are saying this will not come into effect until 2007 or 2008? I do not know, but this is a long time. These are our civil servants. They are not for "us" or for "we", they are ours. We have to ensure that if we are trying to get ourselves in tandem with the private sector, we know the private sector looks after their people well—we must do the same. In between 2000 and 2008 there must be something. I do not know what it will be, but I notice the Financial Secretary looking at me attentively. I know that the math is going around in his mind and I know he will take this into consideration.

If we delegate this responsibility (and responsibility must be commensurated with pay) we have to

ensure that our civil servants are looked after properly.

**The Speaker:** Honourable Member, I have decided to take the luncheon break at 12 and return at 1.30 in order that the George Town Members may have an opportunity to carry out their engagement. You can continue until 12 o'clock.

**Ms. Lucille D. Seymour:** Thank you for that consideration, Madam Speaker. I do have a lot to speak about and I am not so sure that—

**The Speaker:** You will return after lunch I am assuming, so you can continue after lunch.

**Ms. Lucille D. Seymour:** Okay, thank you, Madam Speaker.

I wish to draw something to the attention of the architects of the Bill. When we talk about political pressure (and I want to look at it in its general terms, not specific as it is) do I take it that we would have input from honourable Ministers when their chief officers are being assessed? According to some of the latest organisational management, this is something called a "360 degree"—you need input and influence from other people to help you make decisions on things. For example, for chief officers and Official Members, there has to be input other than from the person supervising them. The Official Member has a dual responsibility. He is not only the Financial Secretary for the Government but he is also an Official Member of Cabinet, and therefore he is interrelated with the Leader of Government Business. The Leader of Government Business wants to ensure that performance targets, or whatever they case may be, are met. If they are not, at the time the Governor is assessing the Official Member I would assume that, according to the 360-degree organisational development concept, he would talk to the Minister or the Leader of Government Business. If I have it incorrect, Madam Speaker, please correct me.

I want us to be clear about "politics", "political pressure" and the like. I am sure that if I was Governor and I wanted to assess the Financial Secretary to see whether his contract should be renewed, I would not take it on my own. Because he sits in Cabinet with five Elected Ministers he comes down to the House as a politician. The Leader of Government Business is the Leader of Government Business according to the Constitution enacted in 2003, so that is the point I want to make. We may not be able to put it in Law but we have to be cognisant of the fact that this is a real situation. Sometimes you write things that really do not come out the way you anticipated, so we have to make a note of that.

Also, if the Speaker of the House is a selected person, that person would also have some relationship with the Leader of Government Business. I just—

**The Speaker:** Honourable Member, I think you need to move away from that type of debate because the Honourable First, Second and Third Official Members are not politicians. One has to run for an election and be elected. They are a part of Cabinet. As I sit in this seat as an elected Member I am not a PPM Speaker, neither am I a UDP Speaker—I am the Speaker to follow procedure. I think you need to move away from that line of debate, please.

**Ms. Lucille D. Seymour:** Thank you very much, Madam Speaker. Time tells.

The whole question of performance pay is something that has been mooted in this civil service, particularly with teachers for quite some time. There can be non-payment incentives, as I remember when I was a civil servant years ago. Then there were numerous incentives. However, over the years any time there was a change in the Civil Service Regulations or the General Orders, incentives were eroded, which I am sure the Acting First Official Member can remember.

We have to believe in the economy of incentives whether by method or persuasion. Again, I refer to the teaching profession. Teachers have a very stressful job. In many regions throughout the world there is offered what is called a "sabbatical". Once a teacher has worked some say five years, some say ten, they are offered this sabbatical, during which they can study, do some attachment somewhere or do something constructive. I think there is a tie-in on it. So we could look at the incentives of how we attract new Caymanian teachers and retain them. I believe a study was done some time ago on how we retain teachers, so I think those incentives would be in order.

I would like to revisit the report on performance management, "A Critical Exploration of the Performance Appraisal System in the Cayman Islands Civil Service". It says, "**Some public servants also view performance appraisal as 'something managers have to do which they must participate in'... 'Managers find performance appraisals troublesome, particularly when they have to criticize an employee's performance and put the criticism in writing, and they have become ingenious at finding ways to bypass them. Indeed, top management either ignores appraisals or, more often go through the motions but does not abide by their results.'**"

If we are going to entrust responsibility and delegate all of this on our chief officers and our heads of department, then there has to be some entity in the Government which will ensure that these things are done. I believe there is provision in the Budget for such an entity, which is called the "audit". It is an audit unit and it will be inside the First Official Member's office and I agree with this type of entity.

What I want to ensure is that those who are there are qualified in organisational management, human resources management, and all things that

make them par excellence to the chief officers and the heads of department they are going to audit. It is not fair to have someone who is less endowed in the skills you have to come and audit you. That is not practiced in the profession I was in and it should not be practiced in the civil service.

However, I do agree that you have to have a watchdog watching the cat because this is an extremely powerful delegation. It empowers people to do exactly what they want, and I want to put that in a perfect perspective. Chief officers and heads of department cried for such a long time that they wanted to be empowered from someone holding their hand. First it was a Governor, then another time it was a chief secretary and then it was the deputy chief head of civil service. So now they do not have anyone holding their hand, but they are going to put HR persons in place. I feel they must be very qualified and have a background in public sector because it is the public sector people they will be working with.

There must also be a system which is, perhaps, guided by the chief secretary's office involving all HR people coming together for agreements, even in terms of assessment, salary and so on. This would avoid having one HR in one ministry doing one thing and another HR in another ministry doing something else, or paying one person far more in one industry than another person is being paid in, for example, the Health Ministry. You want those things in sync.

**The Speaker:** Is this a convenient point to take the luncheon suspension?

**Ms. Lucille D. Seymour:** Yes, Madam Speaker.

**The Speaker:** Proceedings will be suspended until 1.30.

**Proceedings suspended at 12 noon**

**Proceedings resumed at 1.45 pm**

**The Speaker:** Please be seated.

Proceedings are resumed. Debate continues on The Public Service Management Bill, 2005. The Third Elected Member for the district of George Town continuing her debate.

**Ms. Lucille D. Seymour:** Thank you very much, Madam Speaker.

This morning I spent some time talking about different points regarding performance appraisal, training, selection and retention, and I also gave my support to the Bill. I said it was timely and I was very privileged to be a part of this historical time.

I want to make a couple more points before I conclude, Madam Speaker, and I want to focus on the issue of the Bill being gender sensitive.

At least in the Acting First Official Member's delivery he commented on women. The PPM Gov-

ernment has been very much in front to ensure that women are not only 50 per cent of the population but that they are also very much identified and involved in the decision-making process in the public and private sectors. For that reason I am so happy that is put there. I believe perhaps more than 50 per cent of the civil service is made up of hardworking women, some of them holding very responsible positions where they take on the decision-making role. As well, they have to train and prepare staff for the ranks of promotability. This is their test for the metal to do well.

The Acting First Official Member also spoke of fixed-term and open contracts, which the Law alludes to, as well as the provision that people 60 years and over could be retained based on the Public Service Regulations. While I agree that is a good principle, I also want us to take into consideration that the Cayman Islands Civil Service is young; I do not know if the average age is 45. While I would like for us to ensure that no one sees his coffin waiting at the door and told it is time to go, I also would not like to see young people waiting for dead men's or women's shoes. I think we should consider that carefully; it should be a position we really need. However, I think the system we employ would ensure that upward mobility would be successful and we would have people to fill these positions. For a person who is, for example, at a deputy position and retiring, there is someone anxiously waiting to fill his shoes.

I believe we should really think carefully about that. As a retiree, I will be the first one to say that we must ensure we look after senior citizens and give them their opportunity. However, I would also be the first one to say that none of our young civil servants should wait for dead men's shoes.

By delegation and devolution, I believe the operations of this Bill will enrich the civil service. I believe it will be expensive, but we should know that. We are the fifth largest financial centre in the world; we deserve a competent, well-skilled civil service. We deserve a civil service that is equal partners with its private sector partners. We do not want a civil service that people talk about waiting on them, inefficient, merely sitting in seats, and I am sure that people in the civil service do not want that either. However, when you have an organisation and a government that is really people driven, then people who have lackadaisical attitudes will change. It may not be overnight but they will change.

I have every confidence, in particular in the Acting First Official Member and the First Official Member, because they were young when they came into the service, hamstrung, hand tied, muzzled and so forth. They did not get the opportunity to be empowered to make decisions and be visionaries. What pleases me so much is to see that they are the vanguards and trailblazers of this. I hold them out to the other young ones because they know what they did not like. I want them to think clearly about bringing the young civil servants up, the youth and middleaged,

and giving them the opportunity to make decisions for the Cayman Islands' organisation, which is vast and compares to no other entity. Therefore it has to be modernised in a contemporary sense. Every time you do something, whatever age it is, it is modernisation.

I am happy to know that one of the true architects of this Bill is the Acting First Official Member who just last week spoke of his inability to make tactical and strategic decisions in his position. These decisions were given to the PSC and this is how it was. However, we are very modern; the Cayman Islands holds its own in the world. We are economy driven; we must be people driven and that is exactly what this is about.

This is from the UN News Centre: **“Good governance requires good public service,” senior UN Official says. In a world where internal and external pressures are forcing governments to redefine the role of the State, they are also grappling with ways to create a public service that provides responsive governance, greater openness and new partnerships with civil society, a new United Nations expert says.”**

He is talking about the World Public Sector Report **“Unlocking Human Potential for Public Sector Performance.”**

**“Appointment by merit was the single most important factor in determining the quality, prestige and integrity of a public service, followed by an effective performance management system to develop staff, the quality of the country’s public and political leadership and the professionalism and strategic planning of its human resource management.”** As I said, this comes from the UN News Centre.

I want to express my deep feelings and appreciation to the architects of this Bill. When I say the “architects” I mean the creators of the thought, those who followed it through, those who wrote it. At the end of the day, it is about good leadership. In order to have good leadership it is about people, and the focus of the PPM Government is about people coming first. So where else should we place emphasis on great talent, great training and good selection processes and a high moral code but in the civil service?

I sum up by reading “Revitalised Leadership Capabilities—Leading by Example” from “The World Public Sector Report 2005: Unlocking the Human Potential for Public Sector Performance”.

**“The experience of HRM [human resource management] reform shows that effective leaders are hands-on; leadership can only be delegated up to a point. An important role of a leader in the public service is also to continuously champion change, as well as the shared values, norms and standards of the organization.**

**“Leadership skills are emerging as one of the most important competencies of civil servants in a more demanding public sector environment. Capacity development of leaders and those with**

**leadership potential therefore needs to move center stage in institution-building in the public sector in both developed and developing countries. It also makes excellent economic sense (high rate of return) for governments to invest in capacity development of leaders as those individuals are generally career civil servants and lifelong employees of the state.**

**“Leadership in the public administration paradigm will make greater demands on the relational, analytical and communication skills of our senior officials. Possessing these competencies needs to be an important criteria in the selection of candidates for leadership positions, as well as for capacity development.”**

Thank you.

**The Speaker:** Honourable Member, I think there are three pieces that you read from that you need to hand to the Serjeant-at-Arms to be laid on the Table.

Does any other Member wish to speak?

The Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, I am not the delegated person to speak to this Bill for our side; the Second Elected Member for West Bay is more prepared. However, he is not here so I will make some brief comments hoping that he will arrive back in time to catch the debate, as he was going to make the vast majority of points of fact. I did not really plan much of a debate on this matter. I rise, however, to support The Public Service Management Bill, 2005.

This is, as has been said, a very important Bill. It has been long in coming. I have heard the references, but this has been in development since 1999, even by a government before the 2001 government. So let it not be said that this just started today; it took some time to get here because it is so important. While the lady Member for George Town likes to tout the PPM in what they are doing, let it be understood that this is not a PPM initiative. Nonetheless, I am glad that it has finally come.

It is very incumbent upon both the Government and the Opposition to get the Bill as right as we can the first time. It is important because it establishes a new human resource management system for the civil service, one which goes hand-in-hand with the Financial Management Initiative (FMI), which was adopted by our administration together with the new Public Finance Law. I certainly commend the Honourable Chief Secretary and Acting Chief Secretary for bringing the Bill. The Bill heralds a significant change to the way the civil service is managed. As I say, I do not propose to go through many, but there are a few points.

Part II of the Bill sets out the Public Service Values and the Public Servants' Code of Conduct, and this is a good thing. It is impressive that the Bill states that these values and conduct equally apply to heads of statutory authorities and other government

companies. Our statutory authorities are not small companies anymore. Heads of statutory authorities are making \$130,000 a year in some instances, and perhaps more. So it is by no means any small step to have them included. I think the whole civil service needs to be impacted here to be held to account.

At the same time, when I say the "whole civil service", I want to support the call of the Second Elected Member for Cayman Brac and Little Cayman to give authority to the District Commissioner because I think it will enhance the administration. Of course, he has to be accountable to someone. He cannot just walk through and do as he pleases. In any event, I certainly would support that.

It is my hope, as well, that one of the secondary benefits of the Law will be to protect legislators who are often castigated for interfering with the "civil service". Whether or not that is the case, we have heard that time and again in years past. I loathe to even make mention of the last campaign because it seemed that was the call. You would hear it across the floor, and even now—and they cannot pinpoint where this was. As I said, it will serve to protect legislators who are often castigated.

We have, no doubt, a good civil service. I know of many, many good civil servants. At times during my years at the Glass House I was there until 10 p.m. I left there numerous times at that hour, and even later sometimes, leaving behind some civil servants who were still working. They probably were those in management areas, but it runs through the rank and file of the civil service. If this country had not a good civil service, we could not be where we are today. We could not have had the kind of development and the standard of living that we have.

I know that over the years many people have criticised. You listen to your constituents, Madam Speaker, who say *'You got to cut down on the size of the civil service. Why are the bills so high for paying civil servants?'* Every time that we in this country want service of any kind . . . anytime the private sector puts in one service, Government has to correspond and service them. So while the private sector does complain about the high bill in Government, they contribute to that extent. That is a fact.

This country is a service-based economy and that is what our Government provides—services. We are only now trying to get back payment for those services somehow or another, but some years ago that was unheard of. Government was not supposed to do that. I remember coming here and I was reflecting on the size of the budgets. It was probably \$80-something million 19 or 20 years ago (if that amount), to where we are today talking about close to \$400 million. While the Government's money comes from private-sector development, other services and so on, we have good, dedicated civil servants who have run this country to where we are today. We have to be mindful that we are not killing the goose that laid the

golden egg. If they did not lay the egg, Madam Speaker, they kept it warm!

As I say, we have a good service but not without its problems. I will not compare our region with, say, New Zealand (as I hear some others doing) because New Zealand is a far bigger country than these Cayman Islands. I do not know that is the right one to compare with; I would have thought that Singapore was more appropriate from my point of view. We bear to mind that New Zealanders did not work as well as they had hoped, and I know that we had to do our own shaping here. However, looking at the New Zealand model as a picture, it did not work as well as they had hoped. So the civil service has played their role in this country.

The Public Service Commission Law of 1976 and the Public Service Regulations 1985 have served their course, not without faults, and maybe not so much as the fault of those who have worked over the years. Over the last 20 years the members of the Public Service Commission, I believe, have served us well. I can say thanks to the former Governor, Mr. Athel Long, for putting in so many years. He had a vast knowledge of public administration and that is something that you cannot easily buy. It does not come with a degree; it comes with hands-on experience and feeling. So I do want to thank Mr. Long and the other members of the Public Service Commission over the years.

The General Orders have served us well. As I say, these too are giving way to a new modern order which is what the last three governments, 1998, 1999, our administration, and now this new administration, have been talking about. It is incumbent on the Government to ensure through the Portfolio of the Civil Service and through the Chief Officers that this new system serves us equally well.

I hope that no one believes that this is being accepted through the rank and part of the civil service. All you have to do is walk the streets and get the calls. People are very concerned about where this will head. While there is a hope, they say *'I will now be able to get my raise'* . . . huh, it might not be as easy. I would daresay it is not going to be as easy for them.

The civil service now consists of approximately 3,000 individuals and, of course, there are still a number of posts that I have seen advertised. Suppose that Government is the country's largest employer. That directly impacts 10 per cent of our population. Indirectly, then, I would imagine it impacts some 20 per cent or more of the spouses and dependants in these Islands which is a large amount of people from one institution in such a small country. A Law to better manage the civil service is extremely important because it affects thousands and thousands of people.

The civil service affects the country in many ways—economically, because of their spending power; and socially, because of our teachers, nurses, social workers, police, garbage collectors and even

our road workers. They are all civil servants; it is not only those in the Glass House and around the offices.

This Law will affect civil servants emotionally as well because it deals with their salaries, as I mentioned earlier. Therefore it affects their families and the life they work to give them, so it is important that we get this thing right.

I believe that the performance appraisal and performance-based pay is the core of the Bill and what the Administration is seeking to do. The performance appraisal existed somewhat in the civil service for some years, and we know that it has never had such a high priority with supervisors. You wonder why, Madam Speaker. It is difficult, and so you check management systems around the world. I was looking at one from the University of Houston. It is difficult for managers and supervisors not wanting to judge the performance of people they interact with on a daily basis, whether at work, at church or socially. We are a small community. So while it existed, it had that problem.

Performance appraisal is a highly-charged subject. We agree that it must be done, but it must be done fairly. I see that the Law does not envisage bringing in performance-based pay until 2007, and therefore, civil service managers have two years to get their act together and put in a proper system. There can be no room for subjective or nebulous performance indicators, and I am sure the architects of this system recognise that. In fact, if civil servants see the performance appraisal as a disciplinary measure (and we are dealing with people now) as opposed to a development measure, there will be problems. I think that a good training system should go hand-in-hand with the performance-appraisal system with an objective to improve civil servants.

As I said, I believe that is a difficulty, and even with FMI I believe it will be that much more problematic. FMI, to a large degree, decentralises training down to chief officers. Obviously, some chief officers will be better than others and some will give training a higher priority than others. This Law sets out what the civil servant must do and how they must behave. They will be assessed, promoted, transferred, dismissed or given the right to appeal. However, I think another condition should be included to say what supervisors must do for the rank and file in order to ensure how civil servants improve themselves.

Madam Speaker, you can have a supervisor tell a long-serving civil servant that they do not have a degree and therefore someone else will be brought in to do their job. However, there is no requirement for the supervisor to show that civil servant how they can get the training they need. I hope that can be shown with some clarity to me to support that civil servant in getting more qualification and to give the moral support and guidance they need to get additional training.

I have been an elected member of government since 1984. We can offer all sorts of reasons and situations that exist, or existed, and things that

happened in the civil service but I do not know if that is what we want to do. As I said, I know that civil servants are looking on, they are listening and they are not as satisfied as the House might want to believe. We just have to wait and see how all of this will pan out and whether it is really going to change their lives for the better as we all hope. I know that for far too long situations existed where some civil servants—and I include ministries and departments because we are also talking about chief officers—got the go ahead to attend a training course of some kind while other civil servants, equally desirous of improving themselves, did not get the same support. I have seen that happen in my Ministry. I do believe that training for the chief officers is something that must take place.

I have seen permanent secretaries in my Ministry get in trouble with their staff. I have seen near war break out, incompletes and nothing getting done because there is a clash. Of course, people's ambitions get the better of them and they just stem the tide of what a permanent secretary might want to do if that permanent secretary, perhaps, is not up to par. Training is necessary.

As I say, this Bill has been in the works since 1999 and I hope that hardworking civil servants will be taken care of as is being touted.

Another very important consideration is the Civil Service Association. In more than labour relations, the employee has a voice. I did speak to Mr. Dale and I note that the wherewithal for the Civil Service Association is in the General Orders, and that will be made part of the regulations. However, I wonder whether it is the regulations which can be changed easily or whether it is the law that should be in where, as I said, the Civil Service Association can be consulted. I believe that it would be good to, at least, acknowledge them in the Law and give them a chance to discuss the things we are introducing which affect them.

I was not here when the Mover proceeded with the Bill. I do not know whether it was said that the... and I guess there have been discussions with the Association on this...

*[Pause]*

**Hon. W. McKeeva Bush:** The First Official Member is saying that there have been some consultations.

As I said, in speaking to one of the consultants, it will be recognised in the regulations. I still wonder whether it is not best to acknowledge them in the Law so that it is more permanent.

As I said, we depend on civil servants. The country and many of us as legislators owe them a debt of gratitude for the work they do. They often fall victim to revilement in the public. Let us be very careful not only with what we put in the Law but how we treat them on a day-to-day basis.

A little power is a dangerous thing. I hope all of us in this honourable House remember that power

is fleeting; it is at the will of the people no matter how much you dress up your manifesto and how much you get up here and pound your chest about what you said you wanted to see. What is important is, are you doing those things or is there some façade?

The concern is there among civil servants having been promised the so-called "help on the way" during the campaign cries. Now there are real rumblings of discrimination and intimidation. I hope that the help that is on the way is not helping them right out through the door.

As I have already mentioned, I served in two administrations. I can say that, with the exception of one person, throughout my service I did not have a great problem. Yes, work did not get done at times for certain reasons and so on, but I certainly can thank my civil servants.

I served with one secretary from 1992 to 1997, Jennifer Ritchie (Habib to many Caymanians), who was a lady at all times. She was a serious, strong worker from my point of view. Ms. Ritchie was never expected to perform duties outside the scope of what a civil servant should do during her tenure, and I never had a complaint about her.

I served with another secretary who was young and we felt she should have been given an opportunity. She was acting in that capacity until I demitted my office when the new administration was elected. Her name is Paula Roy.

I served with Judy Scott, Judy Powery, Pat Ulett, and Gloria McField for a shorter term, as well as others who served from 1992 to 1997... Doreen, Marjorie. I call these names because I believe that a person should get credit where credit is due. Carson Ebanks, a longstanding civil servant and a man of sound principle and knowledge. Leonard Dilbert. These are strong civil servants. We disagreed at times, but there was no acrimony, there were no foul charges and there was no reaping up of lies. They did their jobs. I performed my job as a politician should; I went ahead, set my policy and asked them to carry it out.

I served with Tim Hubble for a short time. There are rumblings, but I will tell you, Madam Speaker, that is one decent young man who has 20-something years of service under his belt, serving previously in the Ministry of Tourism and the Ministry of Planning. He is knowledgeable, decent, never clamoured for the camera, and did not have a business that he needed to run home to. He has children, and that is one thing I always took into consideration, any problem in the home. If your children have a problem or you have a problem, you deal with that, and that was so with all of the civil servants who worked under me as Minister.

Madam Speaker, I hope and pray that what is being done will not hurt people worse than some have seen it. I am not a Rotarian, but I do not think those among us will mind if I remind us all of the four-way test: Is it the truth? Is it fair to all concerned? Does it

build goodwill and friendship? Will it be beneficial to all concerned? I trust we will all remember the four-way test as we deliberate on this Law and many others that will come before us.

I called names here today because I know the value of those civil servants. You know what is true, Madam Speaker? As a politician I know that anything you do can be criticised, and there are those who are far too willing to say that people like me did not get anything done. However, I look back on the projects such as the Water Authority and the ten-year plan I put in place with the help of Carson Ebanks and, of course, the others who worked with me on that. I look at the Parenting Programme, and the first one through the Social Services, the Joyce Hylton Young Parents Centre. Again, I remember people telling me, *'You are taking on these people? Do you know what you are getting yourself into?'*

At times I felt there was disloyalty, but I did not care who they voted for so long as they did not bring it into the office. As long as they carried out my program that I was elected on, that is what mattered. I know some stood against me and I know some helped defeat me! I know that! And when I say "me" [I mean] my party. They voted for other people in the districts. That did not matter, Madam Speaker!

As my grandmother used to say, and now I say, *'Time is a master and a cure for all things'*. All I wanted was for them to do the job. I look back and see from my standpoint, when others were saying *'Nay'*, I would say, *'Give them an opportunity'*. People left the service and I got blamed for that. I do not know what in the world I did, other than standing up for some of them. Nevertheless, I got blamed for it.

Mumbling is still going on about who it was, but politics is a master. It depends on how you play it. If you are open and you are at the top you will get shot at. It may have been Pindling who said "When they were making me leader I did not know they were putting me in the front to be shot at first."

On my last day with that Ministry I could walk away with my head high because I know in my time as a Minister elected by the people of this country and by this Legislative Assembly, I did not put one stumbling block in any civil servant's way. If I could not help, certainly I was not a hindrance. Those who wanted to leave did so of their own accord. I wrote letters if I felt someone was stepping out of bounds, but I forgave them.

The Bill will change the way civil servants are dealt with. Only time will tell, but let us not all believe that it will be easy and that all is kosher in the halls of power.

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

The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

I rise to offer my contribution to a Bill for a Law to establish a new system of human resource management in the civil service entitled The Public Service Management Bill, 2005.

Make no mistake about it. This Bill, once enacted into law, will become the practice for how human resources are managed within the civil service and will revolutionise the way administration in that regard is carried out in the Cayman Islands.

Not long ago, before the general elections, we debated The Public Management Law. I remember many contributors commenting that for that particular piece of legislation to have had the effect and desired outcomes envisioned would require a dramatic change in the way the service is run from a human resource's standpoint.

Change is something that I do not think most human beings necessarily like. Once you are accustomed to and settled into a routine you get comfortable, which is merely human nature. However, we all clearly understand that change is inevitable in life. Each day changes and with it brings something new. The something new that we are talking about I believe will either take the civil service to new heights or cause the type of negative effect that could potentially cause a major setback within the civil service. I hope that the consultation which has taken place thus far is deep enough that people understand what is coming.

Certainly, I would imagine that part and parcel of the passage of this legislation will be the necessary dissemination of information to whoever occupies the lowest spot on the totem pole within the civil service.

I clearly understand the intention of this Bill. However, unless people truly understand it and people are trained in human resources (a completely new area in which they probably do not have a lot of expertise), or there is an influx of human resource professionals, there could be many challenging times for all walks of life in the civil service.

Within a centralised system there are many provisions. Unfortunately, I think in a lot of instances provisions, such as firing, are incorporated within the realm of the civil service because they have to be. However, I do not think a lot of firing occurs and I do not envision much taking place, not the type that is covered in this legislation. When the occasion arises where you need to hire someone into your ministry, you have that centralised system of dealing with human resource matters to, all of a sudden, the Governor and the head of the civil service delegating the chief officers. Subsequently, there is the potential for chief officers' onward delegating to heads of department and other entity managers the possibility and the authority to be an appointing officer. That is not something which is as easy to achieve and have it done well, as it is to have a piece of legislation crafted.

As far as I am concerned, the legislation before us, on its face seems fairly comprehensive and a lot of work has gone into it. This is the easy part of it. We can get up here and talk from our theoretical posi-

tions all we want, but once this becomes law this will have to be practiced. I always like to keep in mind the human element.

There is much in this Bill to cover. When you look at it you can write a computer program to carry out these particular provisions. You could easily say to yourself, *'Life should be grand after this. This should make dramatic improvements.'* I always bear in mind that human beings have to carry this out and that is where the rubber always meets the road.

I will direct my debate in the order provided for in the Bill. I will jump around somewhat because there are areas further on that affect a particular area I will deal with and, therefore, it will be necessary to do that.

I begin with the Interpretation section. It consists of items that are expected to be found in a piece of legislation like this. There are some concepts, however, which are articulated in ways that are new. It is not necessarily bad, but, inevitably with new concepts, there is a learning curve for everyone.

We see that this Bill deals with the whole issue of "political pressure". While that is an item that will grab a lot of people's attention, I see in the concept of how this is crafted and structured the whole premise that "political pressure" is applied and envisioned. "Political pressure" means **"any attempt directly or indirectly to influence a personnel or other input-related decision of a chief officer vested in a chief officer under this or any other law, or to change advice tendered by a chief officer to the Governor, the Cabinet, a Minister or an Official Member from what it would have been had the influence not been applied;"**

In the Bill itself you see the manner and the mechanisms that are set up in sections 22 and 23 of the Bill. You see that it speaks to official political pressure from Ministers and Official Members and deals with political pressure from Members of the Legislative Assembly. In section 22(1), right from the outset it clearly shows how the crafters have gone to great lengths to try to ensure that if and when this sort of behaviour is encountered that there is a clear manner in which it is supposed to be dealt with. It envisions that within a ministry **"the Head of the Civil Service shall advise the Leader of Government Business of his concerns and request that the Leader of Government Business discuss the matter with the Minister..."**

From the very outset it sets the framework to remove the person to whom the political pressure is being applied from the conflict. It puts the head of the civil service as the sort of gap-filler and they deal with, in this instance, the Leader of Government Business. It further states that if it is a Member of the Legislative Assembly they then speak to the Leader of Government Business or the Leader of the Opposition, depending on which side the particular person resides within the Legislative Assembly. Again, it is designed and crafted so that the person to whom pressure is



being applied does not have to come into direct conflict with the particular politician or Official Member because it also contains provisions as to how it is dealt with if it is an Official Member.

That intuitively makes a lot of sense because if that sort of behaviour is going on, even with an Official Member, Minister, or regular Member of the House, you want to try to mediate that sort of delicate situation in a way that it does not become worse than it already is. Let us face it, for it to have reached this stage this would have been a serious situation.

Section 22(1) speaks to a chief officer being pressured by a Minister, and section 22(2) deals with the actions taken to remedy that situation. Section 22(3) states: **“(3) If at any time the Head of the Civil Service is of the opinion that political pressure is being placed on a chief officer, or a person with delegated authority from a chief officer, by an Official Member, the Head of the Civil Service shall discuss the matter with the Official Member concerned and request that he desist.”**

At section 22(4) we again see the mechanisms of how that particular eventuality would be dealt with through advice to the Governor about an Official Member.

At section 23(1) we deal with Members of the Legislative Assembly. Again, this mechanism is set up to try to get situations sorted out before they become too much of a problem.

When looking at those sections of the Bill, one thing that remains in one's mind is the whole notion that it seems as though these are the only ways and means in which a chief officer could have political pressure applied. I do not believe that is the case. Additionally, when reading through the Bill you are left with the feeling that the concept of political pressure only flows one way in this world—from politicians to chief officers. I am of the view that there is or can be political pressure that also flows the other way.

I will turn to the Code of Conduct and the Public Service Values in a moment, but before getting into anything else within this Bill I thought I would look at what is being envisioned here in regard to political pressure.

I note that there are people in this world that for some reason, usually for political gain, try to always paint pictures of people that will discredit or cause concern. Often times this is just not the case. It is very interesting that in this Bill we have this whole concept drawn out and detailed steps as to how the head of the civil service will go about remedying any such problems. However, it just does not seem to envision that the opposite of this could take place and that other people could also bring political pressure to bear on a chief officer, or civil servants in general. I believe all of us here on these small Islands know full well how political people are.

One thing that I believe is cause for frustration and concern for all of us in this House is the frequency with which our constituents come to us. They feel as

though the only way they can remedy whatever problem it is they seek to resolve, whatever benefit it is they hope to receive, access to whatever service they desire, is to come to us. It is obvious they come to us not only because we are representatives and, as such, are dutybound to follow up our constituents' concerns, but they come to us after genuinely attempting to achieve one of those three things, but they have not been successful for whatever reason. They give us their particular concerns and want us to agitate and advocate on their personal behalf concerning a particular issue. Much wider is the issue, of course, when the general public advocates for, say, change in policy that is not necessarily restricted to them personally but for, as they would see it, the general good.

When that inevitably happens, as it happened to me just today . . . . I am not suggesting that a simple request by a constituent and my interacting with a civil servant would cause this to trigger, because it does clearly say what political pressure means. Again, I clearly understand the human factor. It is all good and fine to say in here that people should be politically neutral and always genuine. If all that were true of life, we would not have much concern about many things; certainly, we would not have much concern about this particular Bill.

I am apprehensive when it comes to this whole issue of interaction between politicians and civil servants and the idea that it is the politicians who are always in the wrong. I clearly understand how sections 22 and 23 within this Bill could be quite craftily utilised by people who have a particular political agenda. The higher you go in any organisation the more difficult it is to see through and get to the bottom of issues involving someone moving in a particular direction with a completely different motive or agenda than what they will actually say it is. I believe that there can be political pressure put on Ministers by civil servants or on Official Members and, indeed, on MLAs.

Part II of the Bill deals with Public Service Values and Code of Conduct. I believe the general public will happily support these provisions. For a long time there has been a general feeling that we needed to crystalise some of what is in this Bill. It is not necessarily that I think there was any real or firm basis, generally speaking. I think human beings usually react in a certain way. If you hear one bad story you paint everybody with that very wide brush. Basically, I believe the Cayman Islands enjoy as good a civil service as there is, and I think that even civil servants will be happy to have in law a clearly articulated, clearly stated value system that they would be expected to uphold.

Section 4(a) deals with the first value which is **“(a) to serve diligently the government of the day and the public in an apolitical, impartial and courteous manner and to deliver high-quality policy advice and services.”**

We then move on to (b) which is **“(b) to uphold the proper administration of justice and the principles of natural justice, and to support public participation in the democratic process;”**

Six more values follow:

**“(c) to strive continually for efficiency, effectiveness and value for money in all government activities;**

**“(d) to adhere to the highest ethical, moral and professional standards at all times;**

**“(e) to encourage creativity and innovation, and recognise the achievement of results;**

**“(f) to be an employer that cares, non-discriminatory, makes employment decisions on the basis of merit, and recognises the aims and aspirations of employees, regardless of their gender and physical disabilities;**

**“(g) to be an employer that encourages workplace relations that value communication, consultation, co-operation and input from employees (either individually or collectively) on matters that affect their workplace and conditions of service;**

**“(h) to provide a safe and healthy working environment.”**

All of that is good and fine. In fact, as I move on, Madam Speaker, you will see that there are specific clauses within the Bill that do support the achievement of these values. In other words, the values are not just sitting here in a vacuum disconnected from the Bill itself, which is, of course, of critical importance with a Bill of this nature.

I return to the very first value, **“(a) to serve diligently the government of the day and the public in an apolitical, impartial and courteous manner and to deliver high-quality policy advice and services.”** I think that while it is clearly understood there will be a government—a majority in the House, the party who occupies the ministerial positions—I do believe that it is very important that civil servants also clearly understand that this sort of behaviour is what is expected from all elected Members.

Item (b) under the Public Servants' Code of Conduct is as follows: **“(b) A public servant must be courteous and respectful to the Governor . . . Official Members, Ministers, Members of the Legislative Assembly, other public servants and members of the public, and treat everyone with impartiality and without harassment of any kind.”**

While all Members of the Legislative Assembly are mentioned, I am not quite sure why it is not clearly stated in the values system that that behaviour would be extended. That is, you would be apolitical, impartial and courteous to all Members of this honourable House.

**The Speaker:** Honourable Member, would this be a convenient point to take the afternoon suspension, or are you going to be completing your debate shortly?

**Mr. Rolston M. Anglin:** This would be a convenient point, Madam Speaker.

**The Speaker:** Proceedings will be suspended for 15 minutes.

**Proceedings suspended at 3.10 pm**

**Proceedings resumed at 3.35 pm**

**The Speaker:** Please be seated.

Proceedings are resumed. The Second Elected Member for the district of West Bay continuing his debate on the Public Service Management Bill, 2005.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Section 5 of the Bill deals with the Code of Conduct and states explicitly in black and white the individual behaviour expected of public servants. I believe that what is outlined here will be welcomed by civil servants and the general public.

At this time I would like to raise a point: I do not see anywhere in this Code where a public servant is explicitly told that any wrongdoing should be exposed. The very first point in the Code of Conduct reads: **“(a) A public servant must behave honestly and conscientiously, and fulfil his duties with professionalism, integrity and care.”** There will be arguments that this provision can be interpreted indirectly to say that if you are going to do that, if you see something wrong that you would ensure that it is brought to light and dealt with. However, I believe that persons can individually behave honestly and conscientiously, fulfil their specific duties, possess professionalism, integrity and care, and perhaps turn a blind eye if they see something that should not exist. I believe that it should be explicitly stated here in this Bill.

If we are going to go to the trouble of creating a Code of Conduct we should tell people that if you see something wrong you have a duty to report it. We should further go on and ensure that anyone who does that is given just protection. If they see something that they know should not be happening within the service, they should not be victimised simply because they bring it to light. Again, it does no good for us to sit in this honourable House and not give full cognisance to the very fact that while the majority of people will do the right thing at all times, there will be instances where people simply do not do the right thing.

Item (d) speaks to how a public servant has the right to be politically informed. It goes on to state that they must ensure that their participation in political matters, public debate or discussions does not conflict with their obligation as a public servant to be politically neutral.

I know there is the age-old question (certainly since I have been involved in politics, and even before in terms of friends of mine in the civil service) where

you continue to get a multiplicity of opinions. Some civil servants have said to me, *'I do not go to public meetings because I cannot come'*. Others will say, *'I can go to public meetings. As long as I do not pass out information, canvass or those sorts of things, then I am on safe ground'*. I believe that if at all possible, we should try to clear that matter up and make an area that is not open to interpretation because I believe that what is here is open to a wide range of interpretation.

**“(d) A public servant, as a member of the public, has the right to be politically informed but must ensure that his participation in political matters or public debate or discussions, does not conflict with his obligation as a public servant to be politically neutral.”**

In my mind that says a whole lot, but it does not get to the bottom line. Standing here, as a politician, I am not clear from this as to what I should expect of public servants when it comes to politics in terms of their behaviour, et cetera. So are they allowed to sit on somebody's committee in a district, which is usually a private meeting? Are they allowed to be members of a political party? Should they wear the colours of a political party? Or, should everyone in this country who is a civil servant desist during the political campaign from wearing the colours of any party and simply wear white T-shirts? I presume that no party would choose white as a colour which is the reason I use white as an example.

It is an area that I know is difficult to deal with, but at the end of the day we owe it to civil servants, to the wider community, and to ourselves, to clarify this matter as best we can so that everyone knows what the rules are, what the expectations are and there is not that wide disparity in approach simply based on certain people's interpretation and based on how certain people perceive they can and cannot behave.

Another classic example is radio shows. If I was a Minister I would have to believe that I would feel a bit uncomfortable if the person who sits outside my door called the radio show and made certain statements. When I say “uncomfortable”, they could be calling to offer flattering remarks, but even so that would more than likely cause some discomfort.

Again, I do not know if these are matters that are envisioned as being handled in the regulations, but I do believe we need to add some clarity just so civil servants, the public, politicians and everyone in general is clear about how it is civil servants can behave when it comes to ensuring their right to be politically informed. I will not delve into those items in detail. As I said, I think it is something that is welcomed as an inclusion to the legislation.

We then heard from the First Official Member in his introduction of the Bill that the Secretary of State has issued the instruction and allowed for the Governor to delegate powers to the head of the civil service as they relate to employment. As you read through the entire Bill you are left with the distinct impression that

the delegation that has occurred—and certainly will occur with the passage of this Bill—would be what I would call a genuine delegation. It is not just one that is done, but there are so many caveats that, in essence, nothing meaningful has happened. I do not believe that to be the case at all; I believe this is a genuine delegation and, quite frankly, an important step forward in terms of our development as a country.

I think we all clearly understand how important it is that we continue to mature administratively so that we are building capacity within our people to be able to handle these very important matters.

I will move on to Part IV — Personnel Arrangements for Official Members. At section 9(1) we see that the Official Members are still appointed by the Governor, and then it goes on to state certain attributes the Official Members must have which, again, I believe is important for the legislation. Further on there is more coverage in terms of how the actual arrangements for Official Members are higher in terms of their daily lives, but I will come to that momentarily.

One thing that struck me as I read 9(3) is that it says the Governor may reappoint an Official Member who has reached the end of a fixed-term employment contract and such reappointment shall be to the extent allowable having regard to the provisions referred to in subsection (1) and (2). Subsection (1) simply deals with the Governor appointing the Chief Secretary and Financial Secretary acting in his discretion by exercising the powers under section 7(1)(c)(v) of the Constitution, and the Attorney General in accordance with section 55 of the Constitution.

Just the mention of “fixed-term agreements”, which is mentioned later on in the Bill as well, is another point that speaks volumes in terms of my original statement that this Bill provides the possibility of a dramatic shift in the way in which the human resources element of the public service can operate in the future. I think there are many people in this country who have said for a long time that we needed to get to the point where public servants are held to account meaningfully, and to try to ensure greater efficiencies and effectiveness.

Many have said that when you put a person on a specific contract with a specific timeline, because of the fact there is an end date it naturally causes people to be that much more creative, efficient and hardworking. I think there is a lot of merit in that line of thinking and argument, so it is good to see that within the Bill there is the possibility of having persons on fixed-term contracts and having it at the highest echelon of government.

In my mind, official membership is something that, again, speaks volumes to the fact that this Bill does try to move us as far along as possible in terms of coming up with a modern way in which the civil service will be managed and run from a human resources standpoint.

At section 12 we see how Official Members can be dismissed or retired early, as well as an entire range of possibilities we would expect to have in any sort of standard setting.

Section 13 says that the Governor may for each financial year enter into a performance agreement with each Official Member which shall specify the performance expected of the Official Member for that financial year.

In speaking to some of the staff intimately involved in the creation of the Bill, it was pointed out that the word “may” has been inserted because in legislation it is often thought to be improper to bind the Governor or the Crown to say that he *shall* do something. However, I believe that if minds are put to it, this section, perhaps, may be able to be reworded in a way that clearly shows that is the intent. I think all of us would agree that would be the case; you would not have a situation where everyone else has performance agreements—chief officers, heads of department and every other civil servant—but Official Members do not. While I clearly understand why it is stated this way, I still believe that perhaps it could do with a bit more clarity to ensure that it is apparent that there would not be a situation where Official Members would not have a performance agreement in place.

Upon reading this section I found another term which is also in a couple of other spots throughout the Bill. Section 14(4), which deals with the performance assessments of Official Members, reads, “**The performance assessment is to be completed within 30 days after the end of the financial year.**” I simply wonder whether or not there is any difference between “is to be” versus “shall” because I would presume that is what is meant. This would happen within 30 days of the financial year.

There are a number of instances where we see timelines for the performance assessments to be completed. This specific instance is within 30 days of the financial year, and a bit further on it is within 30 days of the tabling of the financial statement. Section 31(5) states: “**(5) The performance assessment is to be completed within 30 days of the annual report of the chief officer’s ministry or portfolio being tabled in the Legislative Assembly, the tabling being in accordance with section 44 of the Public Management and Finance Law (2005 Revision).**”

Again, we move on and see that the assessments for other staff have to be completed within a similar timeline. However, as we all know, funny things can happen in life and they can cause situations like performance evaluations to seem immaterial at the time. Certainly, 13 and a half months ago when we were struck by Hurricane Ivan, I daresay that performance evaluations were not a priority. So while performance evaluations may need to be completed within a specific timeframe, perhaps it might be wise from now to simply include another subsection stating that if it is not possible and it is beyond the control of the appraiser to complete his evaluation, such be

noted on the appraisee’s file and not have this very stringent requirement.

It is proper to have this requirement because we all know how life is: people are busy and the last thing they typically worry about is completing these sorts of administrative duties. When you are busy and you are trying to get your work done, and Government has an agenda which you are trying to meet, you have a whole range of management issues you are dealing with. Often times, unless you are forced or cornered, you do not get these evaluations completed. That is just how life works.

I understand the reasoning behind including this in the Bill, but I do believe that we need to ensure that we cover other eventualities because, surely, there are circumstances that would prevent these timelines from being met. We should note that from now in the Bill.

I move on to Part V of the Bill—Head of the Civil Service—which states that the chief secretary shall be the head of the civil service. Section 15(2) states what his responsibilities are and then deals with the performance agreement for the head of the civil service, performance assessment responsibilities that the head of the civil service has, and responsibility in regard to setting salaries for certain posts.

Section 20 deals with the administrative re-arrangement of ministries and portfolios. “**20. (1) In order to give effect to an administrative re-arrangement of ministry or portfolio responsibilities, the Head of the Civil Service may do any of the following . . .**” It speaks to transferring employees, determining in writing that the civil servant ceases to be an employee of government and becomes an employee maybe of a statutory authority or government company, as the case may be, and such determination shall be effective notwithstanding the provisions of the statute governing the statutory authority or the instruments of incorporation of the company.

Where a civil servant becomes an employee, section 20(2) provides that the civil servant will receive not less than favourable terms of employment, which makes sense. If an arm of government is going to be restructured and becomes a stand-alone authority, or those responsibilities and persons move into a government-owned company, we would want to ensure that people do, indeed, still enjoy the same level of employment and conditions that would have been the case before they were reassigned and moved out of core government.

Section 24 deals with the portfolio of the civil service which is critical to the change. This is where much of the technical expertise will be housed in regard to human resource matters. “**24. In relation to civil service human resource matters, the Portfolio of the Civil Service shall be responsible for -**” Subsection (d) reads: “**(d) providing personnel services to civil service entities at their request.**”

I wonder how wide the scope of those services will be, whether or not there may be an instance where a particular department or agency within Government is small and it may not be economical to house human resource expertise within that particular department or agency. I think the Legislative Department is a classic example of being small in terms of size, and it may not be seen proper or economical for them to have, for example, an HR manager. This then says that the Portfolio would provide personnel services upon request. I presume what that means is that the Portfolio of the Civil Service would be equipped to provide a whole range of services. Suppose a department needed assistance in recruiting and crafting advertisements, as well as hiring someone. The Portfolio of the Civil Service would stand ready and, more importantly, able to assist in that matter.

Part VI of the Bill deals with personnel arrangements for chief officers. Again we see outlined the particular skill sets in broad terms of what would be looked for in a chief officer. It makes quite clear that it is the head of the civil service, with the assistance of the Portfolio of the Civil Service, who is to appoint a new chief officer in accordance with the requirements of the personnel regulations.

Section 26 further sets out clear procedures of what needs to happen. Subsection (e) provides: **“(e) All candidates on the shortlist are to be interviewed by a panel chaired by the Head of the Civil Service using a comparable interviewing approach for each applicant.”** I wonder whether the Mover of the Bill, in his conclusion, would elaborate on this so that the House can understand more precisely how this would actually work, who the panel would be and how it is envisioned that the panel would go about deciding who to hire in the event of multiple applicants. I would presume in most instances that when there is a post of chief officer available, by nature you would get multiple applicants who would be of the stature, experience and caliber, ending up on the shortlist.

Section (f) says: **“(f) Following the interviews, and after consultation with the Governor, the Head of the Civil Service may appoint the candidate from the shortlist that in his opinion best satisfies all the criteria set out... [for a chief officer].”**

In the Bill it goes on to say that where, after applying the criteria, two or more candidates rank broad at the same level, Caymanians are to be given a preference. The whole issue of Caymanisation is covered in the Bill and this is not the only instance. In fact, in all the other instances where the Bill speaks to appointment of public servants, it always ends off with this caveat where one would say, *‘Well, that should be the way it is’*. However, as raised by the Mover when he introduced the Bill, I now offer the view that in today’s world it is very important that it be explicitly stated within the Bill that no one can doubt whether or not there is, certainly in terms of intention, preference

given to our own people who qualify for these positions within the civil service.

Section 29 deals with the dismissal and early retirement of chief officers of ministries and portfolios. Subsection (d) provides that where the head of the civil service plans to dismiss a chief officer of a ministry or portfolio, or requires him to take early retirement on medical grounds or to improve the organisation, before doing so he shall consult with the Official Member or minister responsible for the ministry or portfolio to which the chief officer is appointed. If the head of the civil service plans to retire someone on medical grounds, or retire them to improve the organisation (and the Mover can correct me if I am wrong, but I presume that is a very diplomatic way of saying they are going to fire someone to make things better) I wonder what the intention is and what sort of consultation is envisioned. I cannot imagine what sort of meeting would actually take place with the Official Member or the minister if someone’s performance is so poor that they have to be replaced, or someone is so ill that they have to be retired on medical grounds.

Section 30 states that prior to the commencement of each financial year, a chief officer of a ministry shall prepare and agree with the head of the civil service an annual performance agreement. Subsection (2) says: **“(2) Prior to the commencement of each financial year, a chief officer of a portfolio shall prepare and agree with the Official Member responsible for the portfolio concerned, an annual performance agreement.”**

A minister in our context has no administrative responsibility, so we cannot have a minister preparing and agreeing an annual performance agreement. That is why when it comes to a ministry, the head of the civil service is put in that position. However, just knowing how life and personalities sometimes work, I wonder whether or not it is wise to have the head of the civil service—who would not be there on a day-to-day basis—prepare and agree the performance agreements with all chief officers. I say this because when we refer to section 31(1) it says: **(1) The performance of a chief officer of a ministry is to be reviewed at the end of each financial year by means of an annual performance assessment undertaken by the Head of the Civil Service (with the assistance of the Portfolio of the Civil Service as required) after consultation with the Minister responsible for the ministry and involving the chief officer.”**

Section 31(2) says: **“(2) The performance of a chief officer of a portfolio is to be reviewed at the end of each financial year by means of an annual performance assessment undertaken by the Official Member responsible for the portfolio after consultation with the Head of the Civil Service and involving the chief officer concerned.”**

Government is not like a bank, a trust company, accounting or law firm where profit and performance evaluations and assessments have been done for years. These institutions have profit motive,

customer service motive, which is something that I believe is much easier than the context and setting of government and just how performance agreements will be crafted and considered. I wonder whether or not it would be wiser to put the head of the civil service (who is removed from that interaction of being the person to whom the chief officer reports to daily) in the same position. I do note that 31(2) says that when the actual assessment is undertaken the official member responsible for the portfolio will consult with the head of the civil service and involve the chief officer concerned. I presume it is worded that way because you want to ensure that the principles contained in this law, which will be in the regulations to come, would all form part of and be accurately reflected in how the performance is judged and determined by the Official Member.

As I said, perhaps this is just the way it is seen that it should be, that is, maintaining a professional employee/employer relationship and dealing with issues while preserving professionalism and harmony without affecting the day-to-day interaction of an Official Member and chief officer.

Section 30(3) deals with what should comprise a performance agreement. Again, there is vast guidance in regard to precisely what should be in performance agreements. Madam Speaker, I remember shortly after the 2000 General Elections, in fact, the first budget. This point was heavily questioned during the Finance Committee process. First of all, Members wanted a better understanding of exactly how performance evaluations worked within the civil service. I think it is fair comment to say that at that time there was a general feeling that more needed to be done in that area. After all, the only way you will enhance performance and force it to be optimal is to have a system whereby you set targets and performance objectives for employees and then carefully grade and assess them against those original targets.

This is a welcomed concept which will prove beneficial for civil servants because they will no longer be put in a position where someone can arbitrarily say they are underperforming. They will have to clearly show, versus their performance agreement, that they have not met the grade.

Madam Speaker, I once again make mention of the human element because this is a good concept. However, as a good concept in law, it does not necessarily mean it will translate into the benefits and gains that we, as legislators, anticipate. This is an area the Portfolio of the Civil Service will have a lot of work in because they will have to ensure that it employs a system which is meaningful. While there are 11 relevant elements which comprise a performance agreement, in and of itself, that does not mean the process and system will work.

The other element of the system—which is absolutely critical—is on the assessment side. If I recall, at the time when we questioned this area in 2001, I think we were told that of the 2,000-plus civil ser-

vants employed only one person was assessed and did not meet the grade. Therefore, that person did not receive an increment. Something tells me that while we may have a good civil service, that may be a slightly high percentage. Nevertheless, I still think the mechanisms established by this Bill are good, as long as they are implemented and practiced properly and the Portfolio of the Civil Service conducts its audits in a meaningful and serious attempt to ensure that this does not simply become a buddy system. It is quite easy in assessor/assessee relationships to give a person a good evaluation. It is difficult to evaluate someone who is not cutting the grade when you interact with them every day. Having had to personally produce an evaluation that is less than favourable is not a simple or comfortable thing to do.

**The Speaker:** Honourable Member, are you going on to a new subject? It is almost the Hour of Interruption.

**Mr. Rolston M. Anglin:** Madam Speaker, I am going on to a number of other points.

#### Hour of Interruption—4.30 pm

**The Speaker:** Before I call upon the Leader of Government Business to move the adjournment, I recognise the Leader of the Opposition under Standing Order 31, which reads: “**31. With the leave of the Presiding Officer, a Member may make a personal explanation although there is no question before the House; but no controversial matter may be included in the explanation nor may debate arise thereupon.**”

The Honourable Leader of the Opposition.

### PERSONAL EXPLANATION

(Standing Order 31)

#### Increase of Caribbean Utilities Electricity Fees

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

It is shameful that Caribbean Utilities Co Ltd (CUC) has issued a fullpage ad to refute the statements I made in the Legislative Assembly outlining the many issues that have contributed to high electricity bills consumers are paying in Grand Cayman. Caribbean Utilities Co Ltd may have made such a statement in the press, but we the consumers are the ones who will have to pay for these fullpage ads in all three newspapers.

The cost of electricity is high and no one can deny this fact, in particular families already feeling the kick of high insurance rates and other increases in the cost of living. I am sure that all businesses and residential consumers will agree. I have spoken to many people about this issue and all were explicitly clear

that the cost of electricity is at a totally unacceptable level.

As the people's representative in the Legislative Assembly, it would be totally irresponsible if, as an Opposition, we did not debate this issue. I am paid to represent the people, and I will not be silenced. I will not be silenced even by CUC—who posted a net income of over \$49 million between 2003 and 2004.

The agreement referred to by Mr. Hew, as having been approved by the negotiating team during the United Democratic Party Administration, needs to be clarified. The negotiation that Mr. Hew mentioned in the fullpage ad was based on the fact that Caribbean Utilities Co Ltd would be giving up their exclusive license seven years prior to the expiration in 2011. If a surcharge was then added to consumer bills, it would have been based on the fact that the surcharges would have been justified under an agreement that did not include the 15 per cent guaranteed rate of return that Caribbean Utilities Co Ltd presently enjoys.

In terms of the agreement, it also called for a price reduction and price freeze, as well as for the establishment of a hurricane fund which would have been funded by Caribbean Utilities Co Ltd to be activated in the event of natural disasters. The other relevant fact is that this was a weighted formula which took into account many other factors, including the cost-of-living index. In the heads of agreement, it was agreed by the negotiating team at that time that there has to be a methodology in place to allow CUC to recover expenses from a Category 3 hurricane or larger disaster.

Caribbean Utilities Co Ltd's Transmission and Distribution Network cannot be insured without prohibiting costs, which we were cognisant of. The surcharge that Caribbean Utilities Co Ltd referred to in their ads would have only been applied for the additional cost items that were incurred to their Transmission and Distribution Network and not to generation. Therefore, the recovery fund which had been agreed would only be used to pay for expenditures related to the T&D Network and not for generation. The fund would have been built up over time so that the impact to the consumers would be lessened if CUC experienced damage to the Transmission & Distribution Network due to a natural disaster.

Madam Speaker, I think it is important, since Mr. Hew (the president) mentioned agreement that the UDP agreed to (and I see some other PPM supporters parroting what he said), that I tell the public what other items were included in this agreement. I will outline the other points included in the agreement that Mr. Hew, the president of CUC, conveniently omitted.

Caribbean Utilities Co Ltd was to reduce prices immediately, in addition to the reduction that we got them to do. CUC would operate in a competitive environment and their licence would be on a non-exclusive basis. They would have to create separate companies, one which operated the Transmission &

Distribution Network and another which operated the generation of electricity capacity.

Competition would be introduced to allow for there to be at least two power generation companies. This would have allowed competition if it had been proven that another company would provide cheaper electricity rates, but that had to be proven first.

An insurance fund would be created to cover the cost to repair any damage to the transmission and distribution facility. A price freeze would be implemented for a period of four years. The price of electricity could only be increased during this four-year period if the consumer-price index increased by an extraordinary amount.

It is ironic that the only part of the agreement implemented was the one which benefited Caribbean Utilities Co Ltd and none which would benefit the consumers and businesses of this country. I want to ask the president of CUC, Mr. Hew, whether he thinks it is fair to allow for this kind of increase to electricity bills to the people of this country while he was publicly announcing that Caribbean Utilities Co Ltd posted net profits of \$6 million per quarter for the same year.

I hasten to add, Madam Speaker, that in my administration I got them to rollback their charges.

I want to make it clear to the public, Members of this honourable House, and Caribbean Utilities Co Ltd, that I am going to continue to fight CUC and anyone who thinks they can charge exorbitant prices which affect the people and economy of this country adversely. I cannot idly sit by and allow this to happen, no matter how many fullpage ads are published by CUC. I think it is totally unacceptable—

**The Speaker:** Honourable Leader of the Opposition, having just received this [statement] I totally overlooked this next sentence. I think that could become terribly controversial. I would ask you, under the relevant Standing Order, to—

**Hon. W. McKeever Bush:** Thank you, Madam Speaker. I will comply.

**The Speaker:** Also the last sentence in the next paragraph.

**Hon. W. McKeever Bush:** I will continue without mentioning the next sentence in the same paragraph.

**The Speaker:** No, one in this paragraph and one in the next paragraph; the last sentence in both.

**Hon. W. McKeever Bush:** Madam Speaker, I note that Mr. Hew said that I should accept that the people have voted me out. I want to restate what I said on the night of the election for one and all. I [said that I] would work with the PPM and would not be an Opposition such as I had to work with. I want to make it clear to Mr. Hew, CUC and anyone else: winning one

election does not guarantee you will win another regardless of how much money is spent.

I suppose this will give CUC another opportunity to spend more of the people's money on high paid lawyers, consultants, PR companies and fullpage ads, all of which I am sure they use under the present agreement to justify recovering their cost and charging higher electric bills to the poor people of this country. The statement "I am full" will go to the press.

Thank you very much, Madam Speaker.

**The Speaker:** Honourable Leader of the Opposition, I do not think you can give the press a statement which the Speaker feels would be controversial to bring to Parliament. If you want to make a separate statement for the press, that is totally your business.

Before I call on the Leader of Government Business to move the adjournment, Standing Order 10(1) reads, "**Every sitting shall, unless the Speaker otherwise directs, begin at 10 a.m.**" The Minister of Tourism has the Tourism Conference on Wednesday morning and I think the entire Cabinet will be attending. Therefore, I have given permission for this House to adjourn until 11.00 am on Wednesday.

Honourable Leader of Government Business.

## ADJOURNMENT

**Hon. D. Kurt Tibbetts:** Thank you very much, Madam Speaker.

All Members are invited to attend the opening of the Annual Tourism Conference. I move that this honourable House be adjourned until 11 am on Wednesday, 9 November.

**The Speaker:** The question is that this honourable House do adjourn until 11 am on Wednesday, 9 November.

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

**Ayes.**

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

**At 4.40 pm the House stood adjourned until 11.00 am Wednesday, 9 November, 2005.**



**OFFICIAL HANSARD REPORT**  
**WEDNESDAY**  
**9 NOVEMBER 2005**  
**11.08 AM**  
*Twelfth Sitting*

**The Speaker:** I call upon the Second Elected Member for the district of West Bay to say Prayers.

**PRAYERS**

**Mr. Rolston M. Anglin:** Let us bow our heads and hearts as we approach the Throne of Grace. Let us pray.

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

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

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

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

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

**Proceedings resumed at 11:10 am**

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

**Apologies**

**The Speaker:** I have received apologies for late arrival from the Honourable Minister of Communications, Works and Infrastructure and the Honourable Minister of Tourism, Environment, Investment and Commerce.

I have also received apologies for absence from the Honourable Second Official Member responsible for the Portfolio of Legal Affairs, and the Fourth Elected Member for the district of West Bay.

Before we go on to the next item, I would like to say that this honourable House will be rising at 11.55 am in order to allow the National Day of Prayer to be held at noon in the Chamber of the Legislative Assembly.

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

**International Initiatives Affecting the Financial  
Service Sector**

**The Speaker:** I have received notices of statements from the Honourable Minister of Education, Training, Employment, Youth, Sports and Culture and the Honourable Minister of Tourism, Environment, Investment and Commerce.

I now recognise the Honourable Minister of Education, Training, Employment, Youth, Sports and Culture.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker.

This statement is made by me in my capacity as Minister with special responsibility for international initiatives affecting the financial services sector.

I should like to advise this honourable House that the Cayman Islands delegation, led by me and comprising the Deputy Financial Secretary of Financial Services, the Executive Director and the Director of the International Tax Policy from the Finance and Economics Secretariat, will be participating in the Organisation for Economic Co-operation and Development (OECD) Global Forum Meeting in Melbourne, Australia. We leave this evening.

I should note that Cayman is a member of the forum in its own right and has an independent seat at the table. The global forum meeting takes place on 15<sup>th</sup> and 16<sup>th</sup> November and will be preceded by a number of technical level meetings on 14<sup>th</sup> November.

Delegates from approximately eighty countries, OECD and non-OECD, are expected to attend.

The agenda for the meeting will be devoted to level playing field issues in relation to international cooperation in tax matters via the exchange of information. The meeting will consider technical work done toward the identification of the current international baseline standard for the exchange of information in tax matters and attempt to agree on the next steps for the achievement of fair competition and non-discrimination in this context.

Madam Speaker, the level playing field issue is of paramount importance to the Cayman Islands hence the decision to ensure that we have a voice in the global forum discussions.

Thank you, Madam Speaker.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, unfortunately the Honourable Minister for Tourism is delayed at the Tourism Conference. He has asked that his statement be deferred until later in this Sitting.

**The Speaker:** So ordered.

The debate on the Public Service Management Bill continues. The Second Elected Member for the district of West Bay continuing.

## GOVERNMENT BUSINESS

### BILLS

#### SECOND READINGS

##### The Public Service Management Bill, 2005

*(Continuation of debate thereon)*

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

To continue my contribution on this vitally important Bill, the Public Service Management Bill, 2005, I would like to turn my attention to sections 43 and 51.

Section 43 deals with remuneration and other terms and conditions of employment. Section 43(2) reads: **“Where a civil service entity operates a performance-related remuneration system (established under section 51), the remuneration of staff may include a performance-related portion, established in accordance with the provisions of personnel regulations, the payment of which is to be based on the staff member’s performance for the financial year in accordance with section 52.”**

Section 51(1) states: **“A chief officer may operate such performance incentive arrangements as he thinks suitable for the staff of his civil service entity provided that the arrangements comply with the provisions of the personnel regulations.”**

Section 51(2) states: **“Performance incentive arrangements, including performance-related remuneration, are to be directly linked to the performance assessment system specified in section 50 of this Law.”** For completeness, Madam Speaker, the calculation of the performance component of staff remuneration is covered in 51.

The first subsection of 52 states: **“(1) The amount of any performance-related portion of the remuneration of a staff member for a financial year is to be determined as part of the performance assessment process undertaken in accordance with section 50.”**

Subsection (2) of 52 goes on to say: **“The amount of performance-related remuneration is to be determined by reference to the extent of achievement of the staff member’s annual performance agreement for the financial year.”**

What we have is the introduction of a concept of rewarding staff for their performance. We also have what I believe is a mechanism that encourages the establishment of real, tangible performance agreements and the requirement that the assessments be carried out in a fair and open manner. What I do not understand and completely agree with is the fact that the law gives discretion as to whether or not a performance-related system in pay is established and it is going to be the chief officer who makes that determination.

Madam Speaker, my understanding of what we are trying to now achieve within the civil service, is that we are going to provide everyone the possibility to earn something more that is directly related to how they perform on the job. There are many things that motivate people and there are many things that demotivate people. I do not believe that it would be prudent to have a situation where, for whatever reason, a chief officer decides to not have performance-related remuneration within the civil service entity and others decide to have it. I believe that irrespective of what the job description is, and irrespective of how insignificant it may seem in terms of dollar amount, every public servant should have an incentive to work hard and to be rewarded for it.

I think that this has the real possibility to be a de-motivator. I believe this is an area that should be looked at again. I understand where it is coming from in terms of there being certain areas and certain jobs where people may look at it and say that we do not particularly want to have performance remuneration on this area. But I think if the system is to work as it is designed there should not be this discretion. It is either performance based or not, and we are just going to pay people, you do your assessments and you are graded versus your assessment and that is it. I think that giving people the opportunity to earn something more and feel the fulfilment of earning it based on their performance and based on objective assessment of their performance is something that is critical

to the way forward in terms of revolution of the public service.

I know I do not have much time left, so I move on to section 44 – power to discipline, dismiss, retire staff early or otherwise terminate staff.

**The Speaker:** Honourable Member you have until 11.50 am.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

This section sets out how the chief officer has these powers but they are subject to what is in the law and the regulations that will come out of this law.

Section 44(3) says **“In exercising his authorities under subsection (1)(a), an appointing officer may discipline a staff member only on the grounds of minor misconduct, or inadequate performance (compared to the performance agreement) over a period of at least 12 months, but shall do so in accordance with the procedures established in personnel regulations for disciplining civil servants.”**

Section 44(4) **“In exercising his authorities under paragraph (1)(b), an appointing officer may dismiss a staff member only on the grounds of gross or serious misconduct, or significant inadequate performance (compared to the performance agreement) over a period of at least 12 months, but shall do so in accordance with the procedures established in personnel regulations for dismissing civil servants.”**

Madam Speaker, will this mean that someone has to perform poorly for at least 12 months before something can be done about it? Does it mean that they can be inefficient and behave in ways that, as is pointed out in section 3, would be considered a minor misconduct for inadequate performance and wait at least 12 months before we are able to act? I think the House needs clarity on that, because if that is the case I cannot support those provisions.

If the system is to work the way I understand it to be envisioned to work, where we have a fair and transparent assessment system, evaluation of those assessments, performance agreements, the possibility of receiving additional compensation for good performance and rewarding good performance, then we also have to ensure that we deal adequately and provide the possibility for dealing adequately with poor performance and poor behavior. Perhaps how this section reads is not the way it is intended to work but the House needs clarity on that from the First Official Member.

In that same vein, moving on to 44(8), which reads: **“44(8) In exercising his authorities under paragraph (1)(e), an appointing officer may terminate the employment of a wage worker as a result of contraction in work provided that termination occurs,- (a) in the first instance, on a first-in-last-out basis among non-Caymanians; and (b) in the**

**second instance, on a first-in-last-out basis among Caymanians.”**

They are saying that the Bill is proposing that in areas where wage earners are employed and for whatever reason you need less people (because I believe that there would be other instances, other than contraction of work that could also cause you to require less people) it says that you must terminate non-Caymanians first and Caymanians last. I do not think that anyone has a problem with that but I have a real issue with the law saying that the first man or woman in the door has to be the last person to go. The first person in the door could be the least efficient employee and could be the employee that needs to be out the door first. So I do not believe in this sort of system. If we are giving the discretion and the authority is being delegated under this law, I find this to just be a small item that for some reason does not have what really needs to happen in it—which is performance. It must be based on performance. We must move people in and out of the Civil Service based on performance.

This section speaks specifically to the contraction of work. I would believe that other factors could cause you to need less people, such as advances in technology. You may have more work in a specific area, but because of technological advances in how you build a road, how you drain water from the soil to be able to build a road . . . all of those things can cause you to need less people. I would not think that those instances would not be able to be addressed, but when I see specific terms in a bill, I always think to myself, what are the other possibilities? If you are making reference to one, then it opens the discussion of other possibilities that could cause you to want to do this. My personal view is that I do not think that you should speak to one instance, which is contraction of work; this discretion is there simply because you need less people, for whatever reason. I believe that 44(8) needs another look.

Madam Speaker, I have one more point to make then I will wrap up. Section 55 says: **“55. (1) A chief officer shall operate a personnel policy that complies with the Good employer principle of being a good employer, that being an employer who operates a personnel policy containing provisions generally accepted as necessary for the fair and proper treatment of employees in all aspects of their employment, including but not limited to – (a) good and safe working conditions.”**

Does that mean that once we pass this law all chief officers are going to be in contravention? There is a real question as to whether or not the Government Administration Building (Glass House) is a good and safe place to work. That is a real question in my mind. I am sure that we will get a response to that. When you look at the other sections listed:-

- "(b) the impartial selection of suitably qualified persons for appointment;**
- "(c) recognition of the need for the ad-**

- vancement of Caymanians in all parts of the civil service;
- "(d) opportunities for the enhancement of the abilities of individual employees;
- "(e) recognition of the employment requirements of women; and
- "(f) recognition of the employment requirements of persons with disabilities."

The Bill does seem to capture what most of us and the public would accept as good points and that we need to ensure that Caymanian employees are given every opportunity for advancement and training to maximise their God-given potential.

Section 58 speaks to the Civil Service Appeals Commission. I have a query on 58(4) where it says: "**58 (4) No person shall be qualified to be appointed as a member of the Civil Service Appeals Commission if he is a civil servant or if he is or has been within the preceding three years - (a) an elected Member of the Legislative Assembly; or (b) the holder of any office in any political party.**"

We clearly understand what we are trying to achieve here, but my query is how long must one cease to be a civil servant before one would be eligible to sit on the Civil Service Appeals Commission?

Section 60 deals with the meetings and procedures of the Civil Service Appeals Commission and 60(2) reads: "**(2) All decisions of the Civil Service Appeals Commission shall be by majority vote of members present but the chairman shall have a casting vote whenever the voting is equal.**"

If we go back to 58(2) we will see that: "**The Civil Service Appeals Commission shall consist of a Chairman and not less than four or more than six other members, appointed by the Governor acting in his discretion.**" I did not find a quorum requirement anywhere in the Bill. Perhaps that is the way it is designed to work. I am not sure, but I thought there would have been a quorum requirement for the Civil Service Appeals Commission.

Madam Speaker, I would like to offer a few brief observations in summing up. As I see it, the way this legislation is framed, and what it is trying to achieve, is a step in the right direction. It moves the service in the direction that it needs to go to try to better ensure that we get value for money of those employed by Government. It is also necessary for the Public Management and Finance Law to operate as it is envisioned to operate. However, I am not sure that everyone understood when we were passing the Public Management and Finance Law the cost implication. Madam Speaker, once a person is a professional (especially in a professional area that requires tertiary education) there is a certain cost attached to those people. In other words, once a person goes to university as a prerequisite to become a professional within their field, it costs a lot. Coming out of the Public Management and Finance Law, we have seen the fact

that every ministry and portfolio within Government now has a chief financial officer and a deputy chief financial officer, it costs a lot to fill those positions.

The salaries being offered are between \$65,000-\$90,000 for a Chief Financial Officer (CFO). If you multiply that by the number of CFOs employed—deputy CFOs are between \$50,000-\$64,000—and if you multiply that across the ministries and portfolios of Government you will see in terms of those new positions how much the new Public Management and Finance Law, which is good and necessary, actually costs the Government. For CFOs alone, when you include pension benefits, costs approach \$1 million. Throw in your deputies and you easily reach another half to three-quarters of a million dollars. Just the passage of that legislation and the ability for it to work cost the Cayman Islands, just for the professional accountants that were required, somewhere in the region of \$1.5 million to \$1.75 million.

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. The Bill is very good, but as I mentioned on Monday there is always the human factor.

Are performance agreements and the assessment system going to be just about a system? Are we going to have instances of posts being created and jobs being filled that are not absolutely necessary for proper public administration? Are we going to have posts made redundant if they are not necessary? That is where the rubber is going to meet the road. We can talk all we want about this legislation being nice (because it is nice), but that is just a feel-good. How many human resource professionals are now going to be employed by the Cayman Islands Government because of this legislation?

Everybody talks about decentralisation, which has taken on a life of its own. Will we be smart enough to ensure that while we decentralise authority we also recognise that we do not necessarily have to continue to employ people? Will it be that the Portfolio of the Civil Service will be manned and styled in such a way that it can still assist the ministries and the portfolios to a great extent without having to constantly hire people? There is no instance that I can remember in my life—certainly not since becoming an elected Member—where I have not heard the old adage from civil servants, '*We are overworked. We need more people*'. That is always the cry. We need more people because if you throw people at it, you out the fire.

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. In fact, I can remember a few years ago, in 2002 if I recall correctly, the now Minister of Education spoke about the fact that the civil service and the cost of the civil service was strangling the financial resources of this country. We may not agree on a lot of things, but we agree on that. I am concerned because I hear that same Minister—now that he is a Minister—telling this House every day about a new person he needs. I hope he will find people already in the civil service to fill these posts. I hope it will not be new positions and new bodies coming in. And I know he has that concern as well.

This must be of paramount concern when we consider this Bill. We must ensure that the system is forced to work. I am of the humble opinion that if it is not forced to work it will not work. Cultures and habits will not change. Change creates opportunity for those who seek opportunity, but most normal human beings do not want change. Once you are comfortable you do not want any hiccups along the road, so let us not kid ourselves into getting into a state of complete euphoria that, because we have now come up with this system, everything will be all peaches and cream, all hunky dory.

Madam Speaker, something 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? Because of how the Bill is styled it does try to address some of those risks by putting specific clauses in place. In other words, the Bill is saying that if you are a poor performer then you can be terminated. However, there is the ultimate risk that there will not be the political and administrative will for that to happen. How is that being addressed? That is just one risk.

I think we need the big picture clear in our minds: What are the risks that the Public Service Management Bill, 2005, will fail to meet its mandate, and how are those risks being managed to try to ensure that they do not derail the intention of the legislation?

As I said, I believe the framework is here. We cannot say that we do not have a reasonable framework. I congratulate all who were involved in crafting the Bill. I congratulate the First Official Member for his delivery and his deep insight into the genesis of the Bill. He is a well-experienced civil servant who has been agitating for this type of change, certainly from my time in office, and I am sure, as he said, well before that. However, at the end of the day let us try to ensure that we put in place the mechanisms that will eliminate the risks that this piece of legislation winds up making matters worse and not better.

Thank you, Madam Speaker.

**The Speaker:** Proceedings will be suspended until 2 pm.

## Proceedings suspended at 11.48 am

## Proceedings resumed at 2.02 pm

**The Speaker:** Proceedings are resumed.

Debate continuing on the Public Service Management Bill, 2005. Does any other Member wish to speak?

The Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker. I trust we are all reinvigorated after the Prayer Session we had before a good lunch.

I rise in support of the Public Service Management Bill, 2005, which is the companion legislation for the Financial Management Initiative (FMI) already in place. This Public Service Management Bill, 2005, is but one of three key pieces of complementary, overarching legislation that form part of the reform program for the Cayman Islands public sector. The other two are the Public Management and Finance Law, and the new Freedom of Information Bill. Thus far, we have had excellent debate on this Bill. Much has been said. However, for the record I wish to make my small contribution.

The civil service is the backbone of an economy that is service driven, such as ours. As we all know, Government is the single largest employer of human capital in these Islands. As a result, changes to its structure must be carefully handled and planned. This Bill, I believe, seeks to provide accountability for related responsibility. The chief officers, as proposed under this Bill, will need resources to produce the desired outcomes. This Bill allows them to determine what those resources will be and how to get the best from the human capital.

As I have said before in this honourable House, change is necessary for us to progress in these Islands. We will require a change in mindset and attitude in our public sector. This change involves moving attitudes and mindsets from the practice of viewing the civil service as a place to work out a person's productive years in an environment where, regardless of performance, one's employment is protected to a certain extent. This needs to be changed to a goal-setting and performance-oriented environment with accountability.

However, the changing of these attitudes and mindsets requires true leadership with vision, conviction and energy that has the trust and support of the majority of civil servants. My question at this time is: Do we have that within our civil service?

The changes associated with this Bill include the abolishment of the Public Service Commission as we know it and doing away with General Orders. The chief secretary, who will be the head of the civil service, will hire and fire chief officers, and chief officers will hire and fire staff and heads of departments. This, in my view, is the key guiding change being brought

about by way of this proposed Bill. Thus, it brings into full focus the role of the post of the chief secretary.

I am a firm believer that the civil service should remain free of political interference now and in the future. Our recent political past is sound testament to what happens when this basic tenet is eroded. The head of the civil service, in my view, should not be a member of Cabinet or a Member of this honourable House, but must be a civil servant to avoid the inevitable conflicts that arise from wearing two very large hats simultaneously. In my submission, this is one of the main reasons why the issue of constitutional change must be moved to the front burner.

As you know, Madam Speaker from past discussions about constitutional change, it is the wish of the majority (from what we can tell at this point) to have those members become Elected Members. As the post exists now, the Official Members will become civil servants. This is a matter that goes beyond my immediate debate on this Bill. I will take it no further at this point other than to say it is important that we look at phasing in key sections of this law, especially as they relate to this particular post.

Madam Speaker, such major change that will be brought about with this legislation will no doubt be met with scepticism as the Public Service Commission and the General Orders have served us well over the years. Governments come and go, administrations change, but the civil service has been the one constant we have had in these Islands that has brought us many times to this point. I would ask that our civil servants view this change as a challenge by Government rather than a threat to their livelihood.

As a past civil servant, I know firsthand the way that initiative was stifled, and the lack of clear goals for an individual and career paths not being clearly laid out, [and how that] led to extreme frustration. It is my opinion that we have lost many a good civil servant for those same reasons, and it is certainly one of the reasons why I left the service. We now need to prepare our people to take up these challenges, as much will be expected of them. However, I know and am confident that they can deliver if properly motivated and trained.

Chief officers must be aware of the great power that will now be vested in them and they must use this in a guarded way. This in itself points to at least two key implications: one being the suitability of existing chief officers for this new environment and; two, the essential training and mentoring in order to better allow them to transition to the new environment. As an MLA, I am appreciative of my role in this area, but I wish to highlight it as it is indeed the critical linchpin to the future proper running of this new system. The relevant persons within the civil service would hopefully understand where I am coming from and act accordingly.

It would be quite easy to abuse such a situation, but that is not the intent or spirit of this Bill. This is why it is important that this Bill provide a Civil Ser-

vice Appeals Commission (which it does) to be set up to consider complaints by chief officers in relation to actions by chief secretaries or official members or complaints by staff in relation to actions by chief officers or heads of departments. One of the great attributes of this proposed system is that all individuals will know up front what is required of them. Performance agreements will be signed at the beginning of the year between the parties and each one will be left in no doubt as to what is expected.

The other significant improvement under this system will be the authority to operate performance-incentive arrangements. This is something that is planned to be phased in I think in the summer of 2007, as the original legislation starts off in the summer in 2006. It is the desire to have a year of assessments under everyone's belt before the performance incentives kick in. Such an arrangement certainly should be a boost to individuals who know that if they put out their best efforts they will be rewarded accordingly. Surely, this is good for the high-flyers as well as other staff members who know once they put in an honest day's work with their best efforts, at the end of the year their hard work will be rewarded. This is something I think individuals will gravitate towards. It is clear from these proposals that excellence will be the order of the day and the civil service will not be tolerated as someplace to just come and coast along.

The public has always asked for greater efficiency in the public service and this is the main tool that will provide that level of service and efficiency. We must ensure that our people are up to the challenge and ready them for the day when they become truly accountable. This, in itself, points to the importance of identifying and training our future civil service managers and staff as a whole, and the civil service's recruitment and career planning practices.

I am glad to know, therefore, that consideration is being given to the development of a step-by-step phasing-in program for the key aspects of this Bill. In this way, the civil service, and indeed the public, will have a clearer understanding of the way forward.

In reviewing the Bill, one thing caught my attention (and I think the Second Elected Member for West Bay alluded to it as well). I would like to see consideration given to spelling out a little clearer in the law the dos and don'ts of civil servants during an election campaign or on important issues facing the country, as I believe this area has always been a little too muddy and people either at the senior or junior level have taken advantage of it one way or the other. It is my belief that civil servants must have a voice apart from their vote on Election Day.

While I understand the importance of being politically neutral as a civil servant, I believe that muzzling has been too extreme in the past. We have many intelligent, hardworking people in our civil service with families. They have a lot at stake (just as you and I). They have so much to either lose or gain when

the outcome of an election goes a certain way. Therefore, I think that they should be well informed and they should, at least without disclosing state secrets, have some say in what goes on in their country.

The Government may therefore consider establishing within the legislation a formal and defined role for staff associations like the Cayman Islands Civil Servants Association (CISCA). I do believe that there is also a forum of Public Managers Association. I believe this is critical to the future success of fair, open and transparent practices within Government. Remember, this piece of legislation seeks to change the way in which an ancient and institutionalised culture and (not to forget) real people have lived and worked for centuries.

Before I wrap up, there is one item I would like to suggest the Bill give some consideration to, which is staff suspensions. As the common practice is now, when someone is suspended they are usually suspended at half pay. What happens many times is that these people are put out to pasture, as it were, on half pay. Because they are out there and we are not paying that much for them (it is not costing Government as much as it previously did) they are sometimes forgotten about and these things drag on. Perhaps it would be a good idea for us to consider changing that to a suspension with full pay but forcing things to come to head much quicker. In the long run it may cost Government a lot less, which is something the crafters of this Bill could consider.

This Bill may not be perfect. I do not think there are many perfect pieces of legislation around! But in my mind it is a step in the right direction. I think the time has come for us to look at our public sector and have it run more effectively and efficiently. Legislation will have its bumps, but we will have to smooth these out as we roll along.

I pay tribute to those hardworking civil servants who have crafted this Bill and all of those who had a hand in its production. I think that the winds of change are upon us in the Cayman Islands, and as long as we carefully guard the direction in which we guide these Islands I think good commonsense will prevail and make these Islands a place of envy for the rest of the world. I ask all good, hardworking public servants to join us in endeavouring to provide a quality service worthy of our reputation as one of the world's leading financial centres and tourist destinations.

Thank you, Madam Speaker.

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

If no other Member wishes to speak, does the Honourable Acting First Official Member wish to exercise his right of reply?

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Speaker. I certainly do wish to reply.

It has certainly been a pleasure to sell something that was so well received! While I have never in my mind felt that the hindrances to public sector reform were on this side of George Town, for any who may have thought so, I think the reception the Bill has received should allay those thoughts.

I am certainly very grateful to all Members who spoke, and for the support that was expressed, as well as the various points Members highlighted. It is a substantial piece of legislation and it is good to see that it received the thorough review and consideration we hoped it would get. I will take a little time to try to respond to most, hopefully all, of those comments. I propose to basically follow the sequence of the clauses within the Bill rather than the order in which Members spoke.

There was a question as to whether the district commissioner was defined as a "chief officer" and, as such, whether his office and, in turn, district administration, would benefit from the delegation of authorities that this legislation provides. For the purposes of this Bill as well as the Public Management and Finance Law, the district commissioner is a "head of department." However, that in no way will deprive him of being the recipient of the delegated authority to deal with staff matters under his agency than it will deprive any other head of department. It is certainly the intent of the legislation—in fact, clause 46 creates that presumption—that chief officers will delegate unless there is good reason for them not to. That is what is expected. We do not necessarily expect that chief officers are going to make carte blanche delegations immediately; we expect the delegations to be phased. The whole spirit of the legislation is that the authority that the Governor had has been delegated to the head of the civil service and to chief officers, and that delegation will cascade down to heads of all departments.

I gather there had been some comments earlier in relation to the use of the term "public officer" and the fact that this Bill does not use the term "public officer" while the Constitution does, and that, seemingly, there is some inconsistency between this and the Constitution. Our legal drafting folks are confident that we are safe with the wording we have. While we feel comfortable, we do propose at the Committee stage to make an amendment that will hopefully better clarify that linkage between the two pieces of legislation.

Someone made the comment that the Values and the Code of Conduct were good, but perhaps they should both be binding on individuals and, in turn, reflected in the performance agreement. At this point in time, Parliament is saying that these values are ones which the public service should try to aspire to and comply with. They are not, in turn, binding on individuals in the organisation; they simply define the type of public service that we want to have.

The Code of Conduct, on the other hand, relates to how individuals should conduct themselves

and the things they should and should not do. We do not think it is possible to actually reflect the values in the performance agreement. In clause 5(2)(b) I think there was also an omission we propose to address in terms of requiring public servants to be courteous and respectful to various people. We had omitted your good office, Madam Speaker, and that of the Deputy Speaker, but in the Committee stage we propose to make an amendment to insert those.

The Second Elected Member for West Bay made some decent comments yesterday afternoon regarding the issue of political involvement, which was subject to much debate in the development of this Bill. It has long been an area of much speculation as to what public servants can and cannot do. While the political process and seasons have their assortment of activities, we did not feel it was appropriate to try to spell out—certainly not in the law—all of the things we felt public servants could do, and things we thought they should not do. We think what has been set out in the Code of Conduct should make it abundantly clear that public servants have as much right as anyone else to ensure that they are as informed as anybody else as to what is happening politically. As such, they would have the freedom to avail themselves of any opportunity for that edification that anyone else has.

*[Inaudible interjection]*

**Hon. Donovan W.F. Ebanks:** By the same token, we have to accept that we all serve the Government that is elected—

*[Inaudible interjection]*

**Hon. Donovan W.F. Ebanks:**—even though I have managed in my now 30 years to somehow convince every government at some point during the term that I no longer serve them! But I have been consistent with it, and so when it happens with the current Government I will not be surprised, and if I tell them now they will not be surprised either! Right?

*[Laughter]*

**Hon. Donovan W.F. Ebanks:** Nevertheless, certainly, our obligation is to serve whatever Government is elected, and, as such, it simply is not appropriate for me or any other public servant to invest in promoting any particular individual for office.

We are confident public servants are intelligent enough to know the difference between what is appropriate in terms of their own edification, and what is inappropriate in terms of involvement in a promotional and facilitating way in the political process, which is what we simply say they should not involve themselves in.

There was also mention of the fact that in clause 13 we use the term, “**The Governor may, for each financial year, enter into a performance**

**agreement with each Official Member...**” Again, that point has been taken and a Committee stage amendment will address that and convert that “may” to a “shall”.

We noted, as well, the comments in relation to clause 14 and subclause (4) in terms of the performance assessment required to be completed within 30 days. Again, our advice that we lean on is that this should be reasonable. There are circumstances that may arise, yes; but we feel that they would be adequately covered by the Interpretation Law and the *force-majeure* principle, and we do not think it is necessary at this point to change that.

There was considerable comment in relation to clauses 22 and 23 which deal with the whole issue of political pressure and the fact that the legislation is, I guess you could say, unidirectional: it only deals the pressure supposedly coming from the political side being exerted on the civil service side. While we would accept to some extent that, yes, there are no corresponding clauses in that immediate section, certainly the Code of Conduct, we think, makes it abundantly clear that civil servants are required to be politically neutral and we would expect that any Elected Officials who feel themselves subject to any situation where civil servants have been other than that would have no hesitancy to convey that situation and their concerns to the head of the civil service.

These provisions were included and we think they have a useful role to play. If history proves that we are lacking in provisions in the other direction, I guess at some point we will have to look at making some. However, we feel confident that the Code of Conduct spells out how public servants should behave and that there is really no reason why, if they are out of line, Members should have any hesitation in bringing that to the attention of the head of the service.

I think one Member raised a point in relation to an independent member who was supposedly interfering politically. Obviously, the head of the service could not address the matter to either the Leader of Government or the Leader of Opposition. I would expect in that situation, while we have not looked to address it (and we do not propose to), the head of the civil service would simply approach the member directly who is the subject of the allegation. I think that would be the logical course we would anticipate to be followed.

Clause 26 of Part VI deals with Personnel Arrangements for Chief Officers. I think some Members may have commented on 26(1)(f) which states that if “... **two or more persons rank broadly at the same level, Caymanians are to be given preference.**” There were some sentiments that that should perhaps be more strongly expressed in favour of Caymanians. There is no reservation, whatsoever, in this legislation with regard to Caymanians being given preference; but, at the same time, the legislation is really seeking to put a strong emphasis on merit.



In the same way we are looking to dispense with the concept of seniority, how long someone has been in the service and what their expectations should be, while we want to make it clear that in any situation where there is comparative skills the Caymanian will get preference, we certainly do not want to humour anyone's expectation that being a Caymanian—in and of itself—will be a qualifying criteria. There are provisions I will come to later on in terms of ensuring that Caymanians get opportunity for their development; requirements for chief officers and heads of departments to be good employers practicing good employment regimes to afford those opportunities. However, we want to be careful not to be any more committed in that regard than we have been.

In that same light, I think someone alluded to the possibility or made a suggestion that we should look at reinstating some of the bonding arrangements that we had in the past. I think while anyone will look to dictate to a chief officer or head of department that as part of their employment practice they can effect some arrangement with an employee of that nature, what we certainly do not want to go back to is a situation where we inherit people (as we used to under the old system) where they are bonded by virtue of their scholarships through education. In many cases I do not think we did justice to them.

I think the opportunities we offer our employees should be the criteria by which they decide whether they want to stay and work with us. If we make investments in them, and in turn they are willing to commit to working with us for a period of time and we feel it beneficial, so be it. That arrangement should emerge out of an agreement that the employee and employer both see as mutually beneficial, which certainly was not the way it had been. These are the sorts of arrangements we would expect ministries and departments to come up with in pursuit of their goals and fulfilling their objectives to be good employers in competing to get and keep good people.

There was also a comment in relation to the re-appointment of chief officers who reach retirement age or who are at the end of their contracts or fixed-term appointments, and justifiably so because there should only be extenuating circumstances where that is the best decision. The legislation simply looks to recognise that those situations can occur. Certainly, any chief officer or head of department who makes such appointments should be expected to be able to justify why they have done so in the assessment of their own performance. It is a facility that is provided but not one that people will not be expected to give account if they have utilised it.

In relation to clause 29(1) some Members picked up on the time factor of at least 12 months. We note those comments and feel they are justified. In turn, we propose to address that by replacing it with a reasonable time period when we go to the Committee stage. Likewise, I think just this morning the Second Elected Member for West Bay dealt with the provi-

sions of clause 44(8). Madam Speaker, I am pleased to say that we propose simply to delete that clause. I do not think it holds much relevance in today's Cayman in terms of our workforce expanding and contracting. It certainly still has a bit of an aroma of seniority, which I so despise. I think it will be adequately served by the clause above it that makes provision for reducing staff where their functions are no longer required. We think that subclause (7) will suffice, so we propose to dispense with subclause (8) of clause 44.

Mention was made of a transitional situation where a member of staff moves from one agency to another and who should carry out that person's performance assessment. It has not been addressed whether we will make provision for it in the personnel regulations, but those are apparently being worked on. It would seem, however, that the significant part is that you cannot expect the new employer to be obligated or bound by how you performed on the job you came from. I would expect in that situation the person's assessment for that fiscal period would predominantly be based on their new employer's assessment.

A couple of Members referred to the fact that we had not made any reference in the legislation to the role of the Civil Service Association, which is correct. By the same token, as I mentioned when I introduced the Bill, we are grateful for the interest the Civil Service Association showed in the legislation, their consideration of it and their support. I suppose the only fair way of putting it is that we intended to make reference to them in the regulations, but, having listened to Members' comments and sentiments, we propose to make a general amendment that will set out our recognition of the Civil Service Association and their role as representatives of staff.

There have been a number of references to the fact that we will need to ensure that chief officers and heads of department to whom authority is also delegated receive adequate training. Certainly, there are arrangements in hand to provide some basic HR training for people in those ranks. Reference was made to the fact that, in all likelihood with this delegation, there will be the need to employ some HR skills in ministries. We accept that while our personnel department has become considerably smaller than what it was, we will expect that ministries in turn will pick up a bit of those skills. However, we see nothing fundamentally wrong with skills devolving just as authority has devolved. We certainly feel far better served having that authority pushed down in the organisation and having skills not just centralised but flowing through the organisation. So, yes, we expect there will be some additional skills, some ministries will go that way both for their own purposes and to support the agencies. We do not expect an overall vast increase in the HR skills that the organisation needs.

In all fairness, and with no disrespect to the HR profession, it is not by any means an absolute rocket science how you manage people. I was always

amused by the fact that in my public works role I could hire people as group employees, I could train them, I could promote them and keep them there for 30 years until they retired just like any other civil servant, but I could not hire a clerical officer! I do not think they were all angels to deal with; I dealt with some great people and some miserable people. Regardless, I am very proud of how many Caymanians in that department put in that kind of tenure. I say that because I think the typical manager will not find this legislation as difficult to deal with as some may expect.

Granted, there are some managers we expect who will find great comfort in having black-and-white General Orders which precludes them from making a judgment or decision. This legislation will require some of those people to brighten themselves up and find some assistance in dealing with those matters. I do not think there should be any fears that the organisation will find itself in turmoil, revolt and uproar because suddenly we will be giving authority to people who will not know how to use it and all sorts of problems will occur.

I do not think those concerns are at all founded. I am confident that the public service will respond extremely well to the new opportunities that this legislation will afford us to demonstrate the strong commitment which exists within the service to do things in a more dynamic and positive way. As a result, individuals will take pride in what they do rather than in some cases having to deal with frustrations they currently deal with. I think it will certainly be invigorating, and I look forward to its enactment.

Madam Speaker, I thank you for your patience and I thank Members for their support and observations. As I indicated, there are a number of provisions we are most happy to undertake and we will attempt to address them during the Committee stage. I commend the Bill to Members.

Thank you.

**The Speaker:** The question is that a Bill shortly entitled The Public Service Management Bill, 2005, be given a Second Reading.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Public Service Management Bill, 2005, has been given a Second Reading.

**Agreed. The Public Service Management Bill, 2005, given a Second Reading.**

**The Speaker:** Am I correct in understanding that the Honourable Acting First Official Member will be carrying all these Bills forward?

**Hon. Donovan W. F. Ebanks:** Yes, Madam Speaker.

**The Speaker:** The Honourable Acting First Official Member.

### **The Customs (Amendment) Bill, 2005**

**Hon. Donovan W. F. Ebanks:** Madam Speaker, I beg to move the Second Reading of a Bill entitled A Bill for a Law to Amend the Customs Law (2003 Revision).

**The Speaker:** The motion has been duly moved. Does the Honourable Acting First Official Member wish to speak thereto?

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Speaker.

This Bill and, if I may add, the other seven bills which follow, have all been necessitated by The Public Service Management Bill. This Customs (Amendment) Bill, 2005, addresses authorities that were previously vested in the Governor. In keeping with the Public Service Management Bill, 2005 (if it is successfully passed by this House), those authorities would revert to the chief officer. Essentially, that is the nature of the other seven bills—that the new regime of authorities with the Governor only appointing the head of the service and Official Members, and the head of the service, in turn, appointing chief officers, that whole structure—where there is contradiction of that in these existing legislations, we have sought to address that by these amending bills.

To maintain consistency, The Customs (Amendment) Bill, 2005, simply seeks to replace authority vested in the Governor with authority vested in a chief officer.

Thank you.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? If no other Member wishes to speak, does the Honourable Acting First Official Member wish to exercise his right of reply?

**Hon. Donovan W.F. Ebanks:** Madam Speaker, only to thank Members for their support.

**The Speaker:** The question is that a bill shortly entitled The Customs (Amendment) Bill, 2005, be given a Second Reading.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Custom (Amendment) Bill, 2005, has been given a Second Reading.

**Agreed. The Customs (Amendment) Bill, 2005, given a Second Reading.**

**The Speaker:** The Honourable Acting First Official Member.

**The Complaints Commissioner (Amendment) Bill, 2005**

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Speaker.

I would like to move the Second Reading of The Complaints Commissioner (Amendment) Bill, 2005.

**The Speaker:** The motion has been duly moved and is open for debate. Does the Honourable Member wish to speak thereto?

**Hon. Donovan W.F. Ebanks:** No, thank you, Madam Speaker. I think I have explained in my previous statement that all of these are similar to The Customs (Amendment) Bill, 2005, which I spoke to earlier.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? If no other Member wishes to speak, does the Honourable Acting First Official Member wish to exercise his right of reply?

**Hon. Donovan W.F. Ebanks:** Madam Speaker, only to thank Members again for their support.

**The Speaker:** The question is that a bill shortly entitled The Complaints Commissioner (Amendment) Bill, 2005, be given a Second Reading.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Complaints Commissioner (Amendment) Bill, 2005, has been given a Second Reading.

**Agreed. The Complaints Commissioner (Amendment) Bill, 2005, given a Second Reading.**

**The Speaker:** Honourable Leader of the Opposition, if you would like to move a motion that we accept all these bills together, I would still have to put the question for each one for them to receive on the motion. Would you like to do that?

**Hon. W. McKeeva Bush:** Madam Speaker, I think it is appropriate that we move a motion to accept all the bills at one time. I think the questions should be put on the motion.

**The Speaker:** Are you moving that motion, Honourable Leader of the Opposition?

**Hon. W. McKeeva Bush:** Only if the Leader of Government Business will second it.

**The Speaker:** The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, obviously he has not moved the motion.

**The Speaker:** Well, to avoid argument, I will now call on the Acting First Official Member—

**Hon. W. McKeeva Bush:** Madam Speaker, in the interest of time, you have six more to go and it is the same. I will move the motion to accept all of the bills because it is the same thing and the Leader of Government Business said he will move.

**The Speaker:** Is there a Seconder?

*[Inaudible comment by the Honourable Leader of the Opposition]*

**Mr. Rolston M. Anglin:** Madam Speaker, I beg to second the motion.

**The Fire Brigade (Amendment) Bill, 2005  
The Grand Court (Amendment) Bill, 2005  
The Summary Jurisdiction (Amendment) Bill, 2005  
The Police (Amendment) (No.2) Bill, 2005  
The Prisons (Amendment) (No. 2) Bill, 2005**

**The Speaker:** The question is that the remaining five bills be given a Second Reading.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Fire Brigade (Amendment) Bill, 2005; The Grand Court (Amendment) Bill, 2005; The Summary Jurisdiction (Amendment) Bill, 2005; The Police (Amendment) (No. 2) Bill, 2005; The Prisons (Amendment) (No. 2) Bill, 2005, have been read a second time.

**Agreed: The Fire Brigade (Amendment) Bill, 2005, The Grand Court (Amendment) Bill, 2005, The Summary Jurisdiction (Amendment) Bill, 2005, The Police (Amendment) (No. 2) Bill, 2005, and The Prisons (Amendment) (No. 2) Bill, 2005, given a Second Reading.**

**The Speaker:** Before we proceed to Committee stage I would like to take a short suspension. I would ask the Acting First Official Member, with his legal draftsman, would come to the Speaker's office for a moment. We will suspend for 15 minutes.

**Proceedings suspended at 3.11 pm**

**Proceedings resumed at 3.31 pm**

## **COMMITTEE ON BILLS**

**House in Committee at 3.33 pm**

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

**Hon. W. McKeeva Bush:** Madam Chairman, on a matter of procedure before you get into the Bill itself, I had at least one general question which might be cleared up in the very beginning. I cannot pinpoint where it is in the Bill, but I would like to ask the Acting Chief Secretary about an aspect of the Bill where the Governor sets salaries.

**The Chairman:** I think that could be clause 11, Honourable Leader of the Opposition, Remuneration of Official Members; or clause 10, Employment of Official Members.

**Hon. W. McKeeva Bush:** Yes, the Governor sets that one, but it is the chief secretary that sets certain salaries. Since we have found out exactly where we are, I can wait until then. Thank you very much, Madam Chairman.

**The Chairman:** Honourable Acting First Official Member, would you like to answer that query?

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Chairman.

Clause 11 deals with the Governor setting remuneration of Official Members who he is empowered to appoint.

**Hon. W. McKeeva Bush:** No. As I said, it was the Chief Secretary that I was referring to. So when we come to that, I can take it, I just could not pinpoint it in the Bill.

**The Chairman:** I think that is section 18.

**Hon. Donovan W.F. Ebanks:** Yes, clause 18.

**The Chairman:** Madam Clerk.

### **The Public Service Management Bill, 2005**

#### **Part I – Introductory**

##### **Clauses 1 – 3**

**The Clerk:**

|          |                                          |
|----------|------------------------------------------|
| Clause 1 | Short title and commencement.            |
| Clause 2 | Interpretation.                          |
| Clause 3 | Revocation or variation of instructions. |

**The Chairman:** I think we have an amendment in clause 2.

**Hon. Donovan W.F. Ebanks:** Yes, Madam Speaker.

**The Chairman:** Okay, one moment. The question is that clause 1, Short title and commencement, do form part of the Bill.

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

**Ayes.**

**Hon. W. McKeeva Bush:** Clause... Madam Speaker, maybe I am a little late hearing because one of the sections I am seeking is... Okay, it is the next one, Interpretation.

**The Chairman:** I shall put that question again.

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

**Ayes.**

**The Chairman:** The Ayes have it. Clause 1 passed.

**Agreed: Clause 1 passed.**

#### **Clause 2**

**The Clerk:** Clause 2 Interpretation.

**The Chairman:** The Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Chairman. We have two amendments that we have circulated for clause 2, the first being in the definition of “civil servant” by inserting at the end of the definition the words “and is a public officer for the purposes of the Constitution.” We feel that this will bring greater clarity and synchronisation between this legislation and the Constitution itself.

**Hon. W. McKeeva Bush:** Madam Chair.

**The Chairman:** Honourable Leader of the Opposition, is your query on his amendment or should I allow him to complete his second amendment to that clause and then put—

**Hon. W. McKeeva Bush:** Well, it is dealing with that particular aspect of the section.

**The Chairman:** The Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Yes, it has to do with civil servants. The words “civil servant” here mean, a person employed by the Government, but does not in-

clude an Elected Member of the Legislative Assembly. My query here is what happens if you have a Speaker from the outside?

**Hon. Donovan W.F. Ebanks:** Madam Chair, when we introduced the Bill on Friday we made the point that under the current arrangements that pertain as far as this Parliament, the Legislative Department and the absence of any specific legislation that gives Parliament any autonomy, as long as it is part of the existing centralised organisation of Government then a Speaker who is an Elected Member would fall under this as being a civil servant.

**The Chairman:** The Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you.

It is one of the points that we wanted to make during the debate, but I cannot see how we should agree that the Speaker should be a civil servant if he or she is not an elected person and the Members so choose to have one from outside. We would be going back to where we were when the Governor was the Presiding Officer of the House. Thankfully, we have moved away from Officials being Presiding Officers. I believe what we have to do is create a different definition if we are ever to have a person from the outside as the Speaker.

I cannot support an appointed Speaker being a civil servant. As I say, I think that goes against where we are at in our stage of development, in any extent, and against where Members say they want to go. We have to find a different way of defining what the Speaker would be. I do not think we can leave it where we say that a non-elected Speaker (who should then be called an independent Speaker) can be a civil servant.

**The Chairman:** The Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Madam Chairman, just give me one moment to consult.

[Pause]

**Hon. D. Kurt Tibbetts:** Madam Chair.

**The Chairman:** The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you. While the Acting Chief Secretary consults, there is something that just came to my mind.

If we move to where the Speaker, whether from inside or outside, is going to literally be the chief officer of the Legislative Assembly, then there may be some difficulties with what we are talking about. I am not making any suggestions, I am simply saying we

have to bear some things in mind. Unless Members think otherwise, as far as my understanding from everyone else if what we have suggested happens in the near future (whereby the Legislative Department will not be answerable to the Honourable Chief Secretary but answerable to the Speaker), that will make the Speaker the chief officer.

**Hon. W. McKeeva Bush:** Well, that may be so if the Speaker becomes, let us say, the head of the legislature. I do not want to call it the department because in places where this has happened the Parliament is a totally independent institution from the civil service. So we do not want to call it a department and we do not want to get to the point where we say we could not move it if he or she may be the chief financial officer.

**The Chairman:** If I may throw some light on this (even though the role of the Speaker is to listen) . . . the Water Authority and Port Authority . . . what are they? Are they civil servants or public officers? They are independent bodies. Why is the Speaker not put in the definition of "public officer" instead of a civil servant? I do not know. It is merely a question.

**Hon. D. Kurt Tibbetts:** Madam Chair, just to clarify to the Leader of the Opposition, I did not say it correctly awhile ago. What I should have said was that the Speaker, whether from inside or outside, will be equivalent to the Minister or the Member; it is the Clerk who will be the chief officer. The Speaker will then be the Minister or the Member responsible for that. So our thoughts should lean in that direction and perhaps what the Chair has just said might well fix it.

**Hon. V. Arden McLean:** Madam Chairperson, if I may?

**The Chairman:** The Honourable Minister of Communications, Works & Infrastructure.

**Hon. V. Arden McLean:** Madam Chairperson, I wonder what the effect of the advent of the Legislative Assembly becoming an autonomous body will have on this interpretation of "civil servant" because perhaps all of the officers of the legislature will then not be civil servants. They may enjoy the same privileges as civil servants with respect to pensions and so forth, but being an autonomous body separated from the civil service, will they be called officers?

**Hon. W. McKeeva Bush:** If you look at it, in countries where the Speaker is head of the administration they are called employees of Parliament.

**Hon. V. Arden McLean:** That is right.

**Hon. W. McKeeva Bush:** The Parliament is an independent body—separate and apart from any other

institution, any department, and any controlling officer in the Government.

**Hon. V. Arden McLean:** So it could read “means a person employed by the Government, but does not include elected and officers of the Legislative Assembly”.

**The Chairman:** Honourable Members, I think the Acting First Official Member has to reply, but I do not think we can go that far in this piece of legislation until Parliament actually becomes autonomous. Then there will be consequential amendments to this legislation as well as The Public Management and Finance Law, as well as other pieces of legislation. However, I understand the Honourable Leader of the Opposition putting forth the point that the Speaker cannot be a civil servant.

Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Thank you.

I think your comments, Madam Chairman, have hit the nail on the head with respect to the Speaker’s post not falling under the definition of “public servant” because of a lack of autonomy when it is a case of a non-elected person. Until we get to where the Speaker’s post is covered by legislation (just as it exists for the authorities you mentioned, Madam Chairman, that define those persons outside of public service) we would suggest that the definition in clause 2 be amended by “‘civil servant’ means a person employed by the government but does not include...” and we stay with it up until that point. We propose to change “an Elected Member” to “a Member of the Legislative Assembly other than an Official Member”.

**Hon. W. McKeeva Bush:** That would take the Speaker out of that definition if the Speaker is a non-elected person.

**Hon. V. Arden McLean:** But right now they are elected.

**Hon. W. McKeeva Bush:** Really, the Speaker would be an entity altogether. However, I see your way of getting around it, and I can agree with that.

**Hon. Donovan W.F. Ebanks:** We are excluding Members of the Legislative Assembly other than Official Members, so we are excluding all Members of the Legislative Assembly.

**Hon. W. McKeeva Bush:** Yes.

**Hon. Donovan W.F. Ebanks:** Now, the Speaker is a Member of the Legislative Assembly.

**Hon. W. McKeeva Bush:** Appointed, yes.

**Hon. Donovan W.F. Ebanks:** Staff are not Members of the Legislative Assembly.

**Hon. W. McKeeva Bush:** The Speaker would be appointed at that point, and therefore, yes, would fall outside that definition also. I can live with that.

**Hon. Donovan W.F. Ebanks:** Obviously, Madam Chairperson, the hope is that the...

**The Chairman:** Honourable Acting First Official Member, I waive the two days’ notice required for that amendment, but I do require it in writing so that this department can send it to the drafting persons and we have the proper amendment in the Bill.

**Hon. Donovan W.F. Ebanks:** Madam Chairperson, I am grateful for your kindness and we will definitely provide it.

**The Chairman:** Honourable Acting First Official Member, are you in a position now to read the entire definition of “civil servant”?

**Hon. Donovan W.F. Ebanks:** “‘Civil servant’ means a person employed by the government but does not include a Member of the Legislative Assembly other than an Official Member and is a public officer for the purposes of the Constitution.”

**The Chairman:** The amendment has been duly moved and is open for debate. Does any Member wish to speak thereto? If no Member wishes to speak thereto, the question is that the amendment stand part of the clause.

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

**Ayes.**

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

**Agreed: Amendment to Clause 2 Passed.**

**The Chairman:** Honourable Acting First Official Member, your second amendment to that clause, please.

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Chair. After subclause (4) it is proposed that we insert a new subclause (5) which reads: “(5) Where this Law requires the Head of the Civil Service to consult with the Official Member responsible for a Portfolio, the Head of the Civil Service shall not be required to consult with the Official Member responsible for the Portfolio of Internal and External Affairs when, at the time the consultation is required, the same person is both the Head of the Civil Service and Official Member responsible for the Portfolio of Internal and External Affairs.”

**The Chairman:** The amendment has been duly moved. Does any Member wish to speak thereto? If no Member wishes to speak thereto, the question is that the amendment stand part of the clause.

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

**Ayes.**

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

**Agreed: Second amendment to Clause 2 passed.**

**The Chairman:** The question is that clause 2 as amended stand part of the Bill.

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

**Ayes.**

**The Chairman:** The Ayes have it. Clause 2, as amended, passed.

**Agreed: Clause 2 as twice amended passed.**

**Clause 3**

**The Clerk:** Clause 3 Revocation or variation of instruction.

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

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

**Ayes.**

**The Chairman:** The Ayes have it. Clause 3 passed.

**Agreed: Clause 3 passed.**

**Part II – Public Service Values and Code of Conduct**

**Clause 4**

**The Clerk:** Clause 4 Public Service Values.

**The Chairman:** The Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Chair.

In clause (4)(a) it is proposed that we delete the words “government of the day and the public” and insert the words “government of the day, the Legislative Assembly and the public”. The net effect is the insertion of “the Legislative Assembly” between “government of the day and the public”.

**The Chairman:** The amendment has been duly moved. Does any Member wish to speak thereto? If no Member wishes to speak thereto, the question is that the amendment stand part of the clause.

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

**Ayes.**

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

**Agreed: Amendment to Clause 4 passed.**

**The Chairman:** The question is that clause 4, as amended, stand part of the Bill.

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

**Ayes.**

**The Chairman:** The Ayes have it. Clause 4, as amended, passed.

**Agreed: Clause 4 as amended passed.**

**Clause 5**

**The Clerk:** Clause 5 The Public Servants’ Code of Conduct.

**The Chairman:** The Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Chair.

In clause 5(2)(b) it is proposed that we delete the words “Governor, Official Members” and replace them with the words “Governor, the Speaker and Deputy Speaker, Official Members” and the net effect of the amendment is the insertion of “the Speaker” and “Deputy Speaker” between “Governor” and “Official Members”.

**The Chairman:** The amendment has been duly moved. Does any Member wish to speak thereto? If no Member wishes to speak thereto, the question is that the amendment stand part of the clause.

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

**Ayes.**

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

**Agreed: Amendment to Clause 5 passed.**

**The Chairman:** The question now is that clause 5, as amended, stand part of the Bill.

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

**Ayes.**

**The Chairman:** The Ayes have it. Clause 5, as amended, passed.

**Agreed: Clause 5 as amended passed.**

### Part III – Personnel Authorities of the Governor

#### Clauses 6 – 8

**The Clerk:**

|          |                                              |
|----------|----------------------------------------------|
| Clause 6 | Personnel authorities of the Governor.       |
| Clause 7 | Governor may delegate employment powers.     |
| Clause 8 | Government may revoke employment delegation. |

**The Chairman:** The question is that clauses 6 through 8 stand part of the Bill.

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

**Ayes.**

**The Chairman:** The Ayes have it. Clauses 6 through 8 passed.

**Agreed: Clauses 6, 7 and 8 passed.**

### Part IV - Personnel Arrangements for Official Members

#### Clause 9

**The Clerk:** Clause 9 Appointment of Official Members.

**The Chairman:** The Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Chairperson, if you could just give me one second, please.

It is proposed that we delete the existing sub-clause (5) in clause 9 and replace it with a new sub-clause (5) which reads: “Where an Official Member is, by reason of illness or absence from the Islands or for any other reason, incapable of performing the functions of his office, the Governor may, in accordance with section 10(1)(a) of the Constitution, appoint a temporary Member of the Cabinet.”

This wording, it is felt, is more appropriate and consistent with the provisions of the Constitution.

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

no Member wishes to speak thereto, the question is that the amendment stands part of the clause.

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

**Ayes.**

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

**Agreed: Amendment to Clause 9 passed.**

**The Chairman:** The question now is that clause 9, as amended, stand part of the Bill.

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

**Ayes.**

**The Chairman:** The Ayes have it. Clause 9, as amended, passed.

**Agreed: Clause 9 as amended passed.**

#### Clauses 10 – 12

**The Clerk:**

|           |                                                    |
|-----------|----------------------------------------------------|
| Clause 10 | Employment of Official Members.                    |
| Clause 11 | Remuneration of Official Members.                  |
| Clause 12 | Dismissal or early retirement of Official Members. |

**The Chairman:** The question is that clauses 10 through 12 do stand part of the Bill.

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

**Ayes.**

**The Chairman:** The Ayes have it. Clauses 10 through 12 passed.

**Agreed: Clause 10, 11 and 12 passed.**

#### Clause 13

**The Clerk:** Clause 13 Performance agreements with Official Members.

**The Chairman:** The Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Chair.

In clause 13 we propose to remove the word “may” and replace it with the word “shall” so the clause will read “the Governor shall” rather than “the Governor may”.

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



no Member wishes to speak thereto, the question is that the amendment stand part of the clause.

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

**Ayes.**

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

**Agreed: Amendment to Clause 13 passed.**

**The Chairman:** The question is now that clause 13, as amended, stand part of the Bill.

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

**Ayes.**

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

**Agreed: Clause 13, as amended, passed.**

#### Clauses 14 – 24

**The Clerk:**

|           |                                                                       |
|-----------|-----------------------------------------------------------------------|
| Clause 14 | Performance agreements with Official Members.                         |
| Clause 15 | Duties of Head of the Civil Service.                                  |
| Clause 16 | Performance agreement responsibilities of Head of the Civil Service.  |
| Clause 17 | Performance assessment responsibilities of Head of the Civil Service. |
| Clause 18 | Salaries of certain posts.                                            |
| Clause 19 | Monitoring of human resource policies.                                |
| Clause 20 | Administrative re-arrangement of ministries and portfolios.           |
| Clause 21 | Independence and obligations of Head of the Civil Service.            |
| Clause 22 | Political pressure from Ministers and Official Members.               |
| Clause 23 | Political pressure from Members of Legislative Assembly.              |
| Clause 24 | Duties of Portfolio of the Civil Service.                             |

**The Chairman:** The question is that clauses 14 through 24 do form part of the Bill.

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

**Ayes.**

**Ms. Lucille D. Seymour:** Madam Chairperson?

**The Chairman:** Third Elected Member for the district of George Town.

**Ms. Lucille D. Seymour:** In relation to clauses 15 and 16, I notice that the performance agreements relate to the budget in many respects. The budget comes to the legislators every year to be agreed upon. If I am in order, I wonder if there is going to be a

cumulative report on the performance agreements as a result of being assessed over the year and whether it will be reported back to the House. Perhaps I need some assistance with this.

**The Chairman:** The Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Madam Chair, there is clearly an existing arrangement under The Public Management and Finance Law by which the Cabinet is required to account to the legislature as to how it is performing in respect of delivering the outputs that it was given money to go out and deliver. There is somewhat of a subsidiary arrangement between Members of Cabinet and their chief officers. I would not say it cannot be reported to the Legislative Assembly, however, in the scheme of things now, the Legislative Assembly does not appropriate money to a chief officer. It appropriates money to Members of Cabinet who, in turn, enter into agreements. Members of Cabinet contract with chief officers to do what Cabinet has contracted with them to do. To say what level of reporting they want, I would simply say it would be, perhaps, impractical for the legislature to intercede in any way in an arrangement they are not party to.

**The Chairman:** The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Chairman.

If memory serves me correctly, at some point during the last group of legislators the Honourable Chief Secretary did table a report on the civil service. What I think the Third Elected Member for George Town is referring to is trying to formalise that arrangement where, just as you say here, certain reports need to be reported within a specific timeline and that they are. If I recall correctly, under the Standing Orders when reports are tabled there is an opportunity for Members to ask brief questions if they see fit. Perhaps that is what the Third Elected Member for George Town seeks to do.

The only thing that I think could be achieved is if we were to stipulate that there be a time period of 90 days, or whatever is reasonable, to collate information and then produce the overall report of the civil service. Remember, we are given 30 days for performance evaluations to be completed. If we state how long the process should take so that it is binding and the House does see a report on the overall performance of the civil service, perhaps, on the other end that might be a discussion in another forum brought by a private members' motion, for example, where consideration of such a report would happen.

**The Chairman:** I will answer the Standing Order question, Honourable Acting First Official Member.

A report that is laid on the Table at any time after the presentation of a paper under Standing Order 18 (which is done by a Minister or Member), the Member of the Government who presented the paper may give notice of a motion that the House resolve itself into Committee to debate that report. It is a *statement* that allows you to ask short questions.

Honourable Third Official Member?

**Hon. G. Kenneth Jefferson:** Thank you, Madam Chairman.

To address the general spirit of what the Third Elected Member for George Town is driving at, although there is no present facility under which the actual performance agreements themselves would come to the Legislative Assembly, as far as we can tell the Third Elected Member's aim is to get at how well chief officers have performed. I think that is the sole intention of her question.

The Public Management and Finance Law requires that the government report to the Legislative Assembly on a quarterly basis the actual performance of the government in relation to the outputs specified in the budget. So, actual performance will be compared with what was specified in the Budget and there will obviously be variances thrown up by that comparison between actual performance and what was budgeted. The quarterly reporting process will give an indication to the Parliament as to how well chief officers have done in relation to what was specified in the budgets, and it will also be the case that variances will have to be explained as to why there was a particular deviation, either positive or negative, against what was envisaged for the budget process.

So, there is an existing mechanism to give an account of how well chief officers have performed via the quarterly reporting process to the Legislative Assembly as opposed to, for example, actually seeing physical documents of performance agreements brought for inspection by honourable Members of the Legislative Assembly.

Thank you, Ma'am.

**The Chairman:** Honourable Third Elected Member for the district of George Town, does that answer your question?

**Ms. Lucille D. Seymour:** Fairly, Madam Chairman, thank you, however, I am really looking at good governance as we are always talking about. Where I understand the quarterly reports, does it mean that at that time there will be a place for questioning the report to understand the performance?

You see, Madam Chairman, we are moving into a different dimension now. The legislators come together to vote on the budget or the outcome, the outcomes are in turn internalised and transformed into performance agreements in terms of respective persons. I do not think you really get a good feel (and I stand to be corrected) of how the overall performance

of the human resource will be in terms of good governance, transparency and so on.

Perhaps it may be putting us in a little quandary now, but I would be satisfied if we could question the quarterly reports. That would suffice because I think then in some depth we would be able to understand what is really happening.

**The Chairman:** Honourable Third Elected Member for the district of George Town, as someone who would like to guide a new Member, I would suggest that you discuss with the Government that when the Financial Secretary lays the quarterly report he lays it under this Standing Order and asks for the House to go into Committee so that the report can be debated.

**Hon. W. McKeever Bush:** But you'll have to do that each time.

**Ms. Lucille D. Seymour:** Thank you very much for your guidance. That is why I asked the question.

**Hon. W. McKeever Bush:** Then if I understand correctly, you would have to do that each time the report is laid.

**The Chairman:** Well, then the answer to that is to call a meeting of the Standing Orders Committee and have the Standing Orders amended, whereby all reports laid on the Table of the House are debated.

I would love to get a meeting of the Standing Orders Committee so that the Standing Orders of this House can be brought up to the 21<sup>st</sup> Century!

The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Chairman, when we look at 33, which is the performance agreement of chief officers, and understanding the spirit of the [question] by the Third Elected Member George Town—she is not just talking about chief officers, she is actually talking about performance of the civil service, period. Note that there are nine items there that have stipulated for composition of chief officers' annual performance agreements and only one of them has to do with the budget, which is item (b).

The more important items I think she is driving at are at item (c), the internal inputs the chief officer is to produce during the period; personal behaviours expected of the chief officer; training, skills or personnel development of the chief officer; other performance expectations and such other means as may be required by the personnel regulations to be included. Inevitably, I think there will be other items included in this performance agreement.

While we have touched on the budgetary aspect, we have not dealt with any of the other items. Those will not be captured in quarterly financial statements of the government. So, again, I get back to the personnel report. If I remember correctly, during

the last term it was only produced once. Once in four years is inadequate to have a personnel report. I have that report somewhere, and I am sure it is up in the portfolio somewhere. I believe we need an annual personnel report that is reported to this House on a timely basis.

While I appreciate the assistance offered by the Honourable Third Official Member, that does cover one aspect, but it still does not cover where I think the Third Elected Member for George Town was heading when she originally went down this road.

**The Chairman:** Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Madam Chairman, I think the facility is there. There is a requirement in addition to quarterly reports for an annual report. It would seem to me that perhaps the content I am hearing Members express interest in, particularly from the Portfolio of the Civil Service, would, of necessity, need to be broader and deal not only with just the dollar and cents and number outputs, but more statistical and general information on the status of the service in terms of people leaving. If the opportunity is afforded for Members to debate it as the Chairman has alluded to, then I think the content of the report could evolve in a short time into what Members are looking for.

**The Chairman:** The question is that clauses 14 through 24 form part of the Bill.

**Hon. W. McKeeva Bush:** Madam Chairman.

**The Chairman:** Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** In relation to clause 18, I would like to ask the Acting Chief Secretary how they propose this to happen: “**The Head of the Civil Service shall recommend to the Governor the salaries, allowances or other benefits of— (a) elected members of the Cabinet; (b) the Speaker, Deputy Speaker and Members of the Legislative Assembly;**” How do they see this working?

We vote our salary.

**Hon. Donovan W.F. Ebanks:** Madam Chairperson, clause 18 deals with the fact that one of the responsibilities of the Head of the Civil Service now is to recommend to the Governor the salaries of various persons in various positions, so it simply is not a case where the Governor sets the salary. While the authority is there, this law includes a provision for the head of the civil service to make the recommendation.

In the case of those persons under (a) and (b) . . . Madam Chairman, I am conscious of my temporary title, and I do not propose to be explicit in how the head of the civil service would actually go about doing this. That is roughly the direction of the Member's

question. I do feel confident that it would be the benefit of substantial consultation with Members and independent advice from people elsewhere in terms of—

**Hon. W. McKeeva Bush:** In times past, Members of the House received increases either by themselves taking the initiative, or during Finance Committee they would propose or move an amendment. Salaries are where they are today because there were discussions going on, and in the last instance there was a salary review and Members' salaries were moved to that.

I was a little lost as to how this actually would work and whether it is the head of the civil service or, in the case of a Speaker as Presiding Officer, whether that falls within that area.

[Pause]

**The Chairman:** Until we become autonomous and we get a commission, when we get a commission we set our own.

**Hon. W. McKeeva Bush:** Do you see this working this way until there is a decision for autonomy of the legislature then?

**Hon. Donovan W.F. Ebanks:** Madam Chairman, certainly in the case of (a) and (b) I do not see any other practical arrangement that can work.

**Hon. W. McKeeva Bush:** You do not see this being the end if, as I said, we become an autonomous and more independent body? The law would change.

**Hon. Donovan W.F. Ebanks:** I believe as I said the other day, just as this law begins after you pass the Code of Conduct, it does not pertain to public servants in agencies that are established by virtue of other statutes.

**Hon. W. McKeeva Bush:** Well, that is what I know, but this leaves it as it was. Other areas have been changed but this area has not.

**Hon. Donovan W.F. Ebanks:** So this law is not going to set the salary for the directing authority because that is established under another law. When the legislation gets similar autonomy through some legislative vehicular mechanism that takes it out, then this authority would obviously be reviewed and I would expect certainly fall out from under this law.

**Hon. W. McKeeva Bush:** Additionally, it would not remain the way it is?

**Hon. Donovan W.F. Ebanks:** It would not remain under this law. Obviously, I cannot prejudge how the status—

**Hon. W. McKeeva Bush:** No, but we have to look a little bit into the future.

**Hon. Donovan W.F. Ebanks:** Yes, but it will be for legislators enacting that legislation to decide where they want to vest that authority.

**Hon. W. McKeeva Bush:** I am just trying to get a grasp of how you see it working, whether there is an intention to work it differently or will elected officials get raises when civil servants get raises? That is the sort of thing I am questioning.

Anyhow, I understand what you are saying so I am prepared to wait and see if autonomy comes or not.

**The Chairman:** As I said before, a Speaker is supposed to listen and not ask questions. However, when you put judges and magistrates here that the head of the civil service shall recommend to the Governor, is that not done under the Judges Personal Emoluments Law as it exists now?

**Hon. Donovan W.F. Ebanks:** You mean the Governor's authority to set the salaries?

**The Chairman:** They are set by law.

**Hon. Donovan W.F. Ebanks:** Yes, I is set by that law. Certainly, that is my understanding.

**The Chairman:** So I do not know whether the head of the civil service would be able to recommend.

**Hon. W. McKeeva Bush:** You see, what has happened is this law came in before other reform has taken place, and that is the problem.

**Hon. Donovan W.F. Ebanks:** Madam Chairman, as I understand it, the Governor (under the legislation you referred to) has the authority to set the salaries for judges and magistrates, for example. Nothing here is seeking, in any way, to pre-empt or compromise that authority. All it is saying is that in respect of those he shall...

**Hon. W. McKeeva Bush:** No, but it cannot—

**The Chairman:** It is saying the head of the civil service shall *recommend*—

**Hon. Donovan W. F. Ebanks:** He shall make recommendations—

**The Chairman:** But how can he recommend when there is specific legislation that says the Governor?

**Hon. Donovan W.F. Ebanks:** As I understand it, we are not changing who shall decide.

**Hon. W. McKeeva Bush:** No.

**Hon. Donovan W.F. Ebanks:** We are simply making a provision that the head of the civil service, with the benefit of the systems that we propose to set up here now, shall make a recommendation.

**Hon. W. McKeeva Bush:** Madam Chairman, in other territories that would be considered an encroachment on the judiciary system. If that were not so, we would not have set up a law specific. I certainly cannot support this because that law runs contrary to the other law and we just cannot do that as a legislature. It does run contrary because this says, "**The Head of the Civil Service shall recommend to the Governor the salaries, allowances and other benefits...**" So it is running contrary.

*[Inaudible interjection]*

**Hon. W. McKeeva Bush:** Never mind. It is running contrary to that law if you check what that law says.

It may not be a big point to some people, but I believe that as far as even the legislature goes, you have a law that is saying what the Governor *shall* do. The only one that can do it is the Governor, is what that law says. This law now says that the head of the civil service shall *recommend*. Playing with words we could easily get away, but I think we want to be totally correct.

As I always hear, you cannot be half pregnant, Madam Chairman—you are either whole or no way at all.

**The Chairman:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Chair, I hear what the Leader of the Opposition is saying, but the interpretation from this side is whenever the Governor evaluates any salary his authority sets—there is consultation by way of research, providing evidence or providing enough information for him to make a sound decision. This is simply saying that the head of the civil service will provide that information for him to be able to make the decision sound whenever there is any...

**Hon. W. McKeeva Bush:** And what that means . . . I hear what the Leader of Government is saying, but what that then means is that someone other than the Governor has something to do with the salaries of those who we say we should not have anything to do with, to put it simply.

**Hon. D. Kurt Tibbetts:** However, Madam Chairman, just to say once more (and then Leader of the Opposition can continue his argument if he so wishes, "argument" meaning his line of argument) any person, including the Governor, at any time, whenever he is

mindful to make a decision with regard to any change in salary to which he has the authority to set, it is only natural that he is going to consult, not for anyone to decide for him but in order for him to make his decision from an informed position. That is all this is saying.

**Hon. W. McKeever Bush:** Well, I do not know—

**The Chairman:** Honourable Leader of the Opposition.

**Hon. W. McKeever Bush:** Thank you, Madam Chairman. I do not know that that is all this is saying, it is leaving other things imputed here and other things can be imputed. I know that the last time when this happened, the Governor said in Cabinet this was his sole responsibility, and he did not allow anybody else to participate in the setting of that salary. I remember, of course, that it was questioned, but the Governor said that is his sole responsibility.

**Hon. D. Kurt Tibbetts:** Madam Chair.

**The Chairman:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you. I am not trying to—

**The Chairman:** Before you ask your question, we have reached the Hour of Interruption and I am not too sure we should move the suspension of the Standing Order in Committee stage.

#### Hour of Interruption—4.30 pm

#### Suspension of Standing Order 10(2)

**Hon. D. Kurt Tibbetts:** I so move the suspension of the relevant Standing Order as it is quite obvious we can complete the Business of the House this afternoon, and with your permission we would like to do so.

**The Chairman:** The question is that Standing Order 10(2) be suspended in order that we may carry on Business beyond the hour of 4.30.

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

**Ayes.**

**The Chairman:** The Ayes have it. Standing Order 10(2) is duly suspended.

**Agreed. Standing Order 10(2) suspended in order to allow the Business of the House to go beyond the hour of 4.30 pm.**

**The Chairman:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Chair.

I was saying that I was not for one second trying to jump into the seat of the Acting First Official Member, but hearing what the Leader of the Opposition is saying, and knowing what the intent of the section is, with your permission we could simply use a different terminology from the word “recommend”. I do not know whether we want to use some word similar to “advise” or something of that nature.

The intention is certainly not to try to pre-empt or infringe on the Governor’s authority, but just to indicate that the head of the civil service will be the one charged with advising him and giving him the information which will allow him to make sound decisions whenever those times arise.

**The Chairman:** Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Madam Chair, I am obviously in the hands of the Members. I certainly do not see how this, in any way, usurps any power on the other legislation. I would have thought the Members would have welcomed the provision that required the Governor to have some local advice. We know governors do not operate in a vacuum—and certainly we do not want them to operate in a vacuum!

Whether we want to change this from “recommending” to saying . . . the reality is that we do not feel that if a new Governor arrives here later this month and has to make a decision in two weeks’ time in respect to the salary of a judge that he is going to make it based on the knowledge that he walked into his office with—he is going to get advice from somewhere. This was simply setting out a requirement for the head of the civil service in terms of the umbrella of responsibility to provide advice. It does not mean he has to accept what is recommended.

I would suggest that if Members feel uncomfortable with the word “recommend” maybe we can go with something that says that the heads of the service shall provide advice to the Governor in relation to these salaries.

**Hon. W. McKeever Bush:** The commission has not been set up yet, as I understand it. Or, has it been set up?

**Hon. Donovan W.F. Ebanks:** Pardon?

**Hon. W. McKeever Bush:** The Judiciary Commission has not been set up as yet or it has been?

**Hon. Donovan W.F. Ebanks:** Not to my knowledge, Madam Chair.

**Hon. W. McKeeva Bush:** That would then shed some light on it as well. Perhaps we might agree to go ahead until such time that we know what is happening with that Commission because that Commission then will sort of take over in full.

**Hon. Donovan W.F. Ebanks:** If some other entity established that has that area—

**Hon. W. McKeeva Bush:** That is proposed.

**Hon. Donovan W.F. Ebanks:** Pardon?

**Hon. W. McKeeva Bush:** You know it is proposed that there will be a Judiciary Commission for the hiring and so on of the judiciary.

**Hon. Donovan W.F. Ebanks:** Well, Madam Chair, whether it is proposed or not, we were trying to develop the legislation in terms of what existed now. That is why we had a situation with the Speaker's position. If something is proposed and it comes on line, when it comes on line we could simply provide a mechanism for what is here to fall away.

**Hon. W. McKeeva Bush:** Well, Madam Chair, I have made my point and I will not belabour it. I believe that this runs contrary to the intent and purposes of the Judges Emoluments and Allowance Law.

I will leave it at that, Madam Chair, but I do feel that we are running contrary to it.

**Hon. D. Kurt Tibbetts:** Madam Chair.

**The Chairman:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Just one final point. Just so that Members and the public will know if ever they hear this, this Bill before us today was discussed at length in Cabinet. I am certain it was discussed with His Excellency the former Governor at length prior to coming to Cabinet. Obviously, it was with his blessing at that time being the Governor. I just want to make it clear that this was not done unilaterally, and the person who would be making those decisions at that time was quite comfortable with it, just to let everyone know.

I hear what everybody else has said, but perhaps, Madam Chair, we simply need to take the vote at this time.

**The Chairman:** The question is that clauses 14 through 24 form part of the Bill.

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

**Ayes.**

**The Chairman:** The Ayes have it. Clauses 14 through 24 passed.

**Agreed: Clauses 14 through 24 passed.**

#### Clause 25

**The Clerk:** Clause 25 Powers of Portfolio of the Civil Service.

**The Chairman:** Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Chair.

There is just one very minor amendment in clause 25 to delete the passage reading "section 24 (2) (f) and (i)" and inserting the passage reading "section 24 (f) and (i)".

**The Chairman:** The amendment has been duly moved. Does any Member wish to speak thereto? If no Member wishes to speak thereto, the question is that the amendment stand part of the clause.

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

**Ayes.**

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

**Agreed: Amendment to Clause 25 passed.**

**The Chairman:** The question now is that clause 25, as amended, stand part of the Bill.

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

**Ayes.**

**The Chairman:** The Ayes have it. Clause 25, as amended, passed.

**Agreed: Clause 25 as amended passed.**

### Part VI- Personnel Arrangements for Chief Officers Employment Arrangements for Chief Officers of Ministries and Portfolios

#### Clauses 26 – 28

**The Clerk:**  
Clause 26

Procedure for appointing chief officers of ministries and portfolios.

Clause 27

Terms and conditions of employment of chief officers of ministries and portfolios.

Clause 28

Remuneration of chief officers of ministries and portfolios.

**The Chairman:** The question is that clauses 26 through 28 do form part of the Bill.

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

**Ayes.**

**The Chairman:** The Ayes have it. Clauses 26 through 28 passed.

**Agreed: Clauses 26, 27, and 28 passed.**

#### **Clause 29**

**The Clerk:** Clause 29 Dismissal and early retirement of chief officers of ministries and portfolios.

**The Chairman:** Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Chair.

In sub-clause (1)(b) we propose to delete the words "significant inadequate performance (compared to performance agreement) over a period of at least twelve months" and insert the words "significant inadequate performance over a reasonable period of time (compared to performance agreement)".

**The Chairman:** We are deleting words and replacing the same words, more or less?

**Hon. Donovan W.F. Ebanks:** In that effect, Madam Chair, we delete "at twelve months" and replace with "over a reasonable period of time".

**The Chairman:** So simple.

The amendment has been duly moved. Does any Member wish to speak thereto? If no Member wishes to speak thereto, the question is that the amendment stand part of the clause.

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

**Ayes.**

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

**Agreed: Amendment to Clause 29 passed.**

**The Chairman:** The question now is that clause 29, as amended, stand part of the Bill.

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

**Ayes.**

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

**Agreed: Clause 29, as amended, passed.**

#### **Performance Management Agreements for Chief Officers of Ministries and Portfolios**

##### **Clauses 30-34**

**The Clerk:**

Clause 30 Annual Performance agreements for chief officers of ministries and portfolios.  
 Clause 31 Annual performance assessment of chief officers of ministries and portfolios.  
 Clause 32 Calculation of performance component of remuneration of chief officers of ministries and portfolios.

#### **Appeal Processes for Chief Officers of Ministries and Portfolios**

Clause 33 Right of appeal by civil servants applying to be chief officers of ministries and portfolios.  
 Clause 34 Right of appeal by chief officers of ministries and portfolios.

**The Chairman:** The question is that clauses 30 through 34 stand part of the Bill.

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

**Ayes.**

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

**Agreed: Clauses 30 through 34 passed.**

#### **Employment Arrangements for the Auditor General and Complaints Commissioner**

##### **Clauses 35 – 38**

**The Clerk:**

Clause 35 Procedure for appointing Auditor General.  
 Clause 36 Procedure for appointing Complaints Commissioner.  
 Clause 37 Remuneration, and terms and conditions of employment of Auditor General and Complaints Commissioner.  
 Clause 38 Dismissal and early retirement of Auditor General and Complaints Commissioner.

**The Chairman:** The question is that clauses 35 through 38 do form part of the Bill.

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

**Ayes.**

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

**Agreed: Clauses 35 through 38 passed.**

**Part VII – Personnel Arrangements for Staff  
Authority to Appoint, Remunerate and Dismiss  
Staff**

**Clauses 39 – 43**

**The Clerk:**

|           |                                                                    |
|-----------|--------------------------------------------------------------------|
| Clause 39 | Extent to which chief officer may exercise powers under this Part. |
| Clause 40 | Chief officers' powers to appoint, promote and transfer staff.     |
| Clause 41 | Procedures and requirements for appointment.                       |
| Clause 42 | Basis of employment of staff.                                      |
| Clause 43 | Remuneration and other terms and conditions of employment.         |

**The Chairman:** The question is that—

**Mr. Rolston M. Anglin:** Madam Chair.

**The Chairman:** Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Chair, just a quick point. Clause 41(3) reads: **“The appointing officer shall submit the job description to the Portfolio of the Civil Service, which shall then undertake a job evaluation, assign the position to a remuneration band established in personnel regulations, and notify the appointing officer accordingly.”**

I know one of the complaints I have heard about the centralised system is timeliness. I wonder if we put in place some timelines within the law if this perhaps can be captured in the regulations or not. In all instances you would presume that when this is submitted it is because you need to get someone in to perform a critical function. How is it envisioned that would be captured?

**The Chairman:** Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Madam Chair, there will always be crisis situations, but staff needs should not always be the subject of great urgency. It is one of the areas where we are still looking to exercise some control over. Obviously, the intent of the legislation is not to devolve out completely the authority to say *‘I am going to call it this job and set it at this level’*. We are looking, both by adding a bit of resource there and some technological assistance, some software that will facilitate, that aside from getting a real burst of high demand the turnaround time should be well within that month you mentioned, probably two or three weeks.

If there is something urgent and you are in a quiet period, yes, that is not impossible. But, certainly, a week or two would be normal.

**Mr. Rolston M. Anglin:** Madam Chairman.

**The Chairman:** Honourable Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Just one other quick question. Subsection (7) deals with the interviews and the interview panel. We have a lot of legislation coming forth such as freedom of information and that sort of good stuff. What is going to be the document retention policy in this regard and who will have access? I presume these panels will make certain notes in their decision-making because I think there is also a right to appeal by persons who were not successful. What will be the document retention policy and who is it that will be envisioned and under what circumstances will they have access to that sort of information?

**The Chairman:** The Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Madam Chair, just to clarify, [you refer to] the information under which the appointing agency or appointing officer based its decision? In other words, the results of the interviews? I honestly cannot give a definite answer. I do not envisage that . . . one second, Madam Chairman.

[Pause]

**Hon. Donovan W.F. Ebanks:** Madam Chair, I am told that the records relating to the whole selection process and the form they take and how they are to be managed will be taken care of in the regulations being developed to complement the law. In terms of access to them that will obviously be dependant upon other legislation. In the current scheme of things there is not a whole lot of access as we know.

**Mr. Rolston M. Anglin:** Madam Chairman, just one other very quick question.

**The Chairman:** Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Chairman.

In subsection (9), line two, we see this reference “is to” and I had asked the question during my debate on the Bill as to whether or not where we see those references that is from a legal standpoint having the same effect as “shall”. There are a couple of references to “is to”.

In the event that someone does hear these proceedings, section (9) reads: **“(9) If the preferred candidate is not known to the interview panel, the appointing officer is to obtain references on the preferred candidate to satisfy himself of the candidate’s suitability and these references are to be obtained before any appointment is made.”**

I love consistency. I am just so used to seeing “shall” that . . .



**Hon. W. McKeeva Bush:** It's a new order!

**Hon. Donovan W.F. Ebanks:** Madam Chairman, it is my understanding that legally it is considered to be equivalent. I have nothing against "shall". I will certainly convey to the drafting people the Member's preference for "shall" in the future.

**The Chairman:** The only question I, as a Chairman, need answered from the legal people is that the word "is" will depict "shall". Shall I give them the right to amend that to "shall"? I need that clarified for me, as the Chairman that "is" in this context means "shall".

**Hon. Donovan W.F. Ebanks:** "Is to".

**The Chairman:** "Is to" means "shall".

**Hon. Donovan W.F. Ebanks:** Okay.

**The Chairman:** So I need to be given a legal undertaking that if we replace it with "shall" that it is the same.

**Hon. Donovan W.F. Ebanks:** It is.

**The Chairman:** Okay.

**Hon. Donovan W.F. Ebanks:** That is what I am told, Madam Chairman.

**The Chairman:** So we will leave that to the legal drafting persons.

Second Elected Member for the district of West Bay, are you satisfied with that?

**Mr. Rolston M. Anglin:** Yes.

**The Chairman:** The question is that clauses 39 through 43 do form part of the Bill.

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

**Ayes.**

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

**Agreed: Clauses 39 through 43 passed.**

#### Clause 44

**The Clerk:** Clause 44 Power to the discipline, dismiss, retire staff early or otherwise terminate.

**The Chairman:** Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Madam Chairman, we have proposed to amend subclause (3) by deleting the words "inadequate performance (compared to the

performance agreement) over a period of at least twelve months" and inserting the words "inadequate performance over a reasonable period of time (compared to performance agreement) and provided that there has been adequate opportunity for the staff member to improve his performance to the required level".

This is simply an attempt to give more latitude and not to be bound by the twelve months that had originally been there.

**The Chairman:** Honourable Acting First Official Member, I think you have another amendment to clause 44.

**Hon. Donovan W.F. Ebanks:** Yes, Madam Chair.

**The Chairman:** Has this been circulated to Members?

**Member of the House:** Yes, Madam Chair. We agreed on it.

**The Chairman:** Okay, so can you move it at the same time?

**Hon. Donovan W.F. Ebanks:** It is also in subclause (4) of clause 44. There was an amendment deleting the words "significant inadequate performance (compared to the performance agreement) over a period of at least twelve months" with "significant inadequate performance over a reasonable period of time (compared to performance agreements) and provided that there has been adequate opportunity for the staff member to improve his performance to the required level". It is almost the exact wording.

**The Chairman:** I am sorry, I thought you had done both, that is why I told you to move on to the third amendment.

**Hon. Donovan W.F. Ebanks:** Yes, Madam Chairman. Also in clause 44 we are proposing to delete entirely subclause (8) and consequentially renumber subclause (9) as (8).

**The Chairman:** The amendments have been duly moved. Does any Member wish to speak thereto? If no Member wishes to speak thereto, the question is that amendment stand part of the clause.

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

**Ayes.**

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

**Agreed: Amendments to Clause 44 passed.**

**The Chairman:** The question now is that clause 44, as amended, stand part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clause 44, as thrice amended, passed.**

#### Clauses 45 – 57

**The Clerk:**

|           |                                                             |
|-----------|-------------------------------------------------------------|
| Clause 45 | Power of chief officers to delegate.                        |
| Clause 46 | Delegation of personnel authorities to heads of department. |
| Clause 47 | General personnel authorities.                              |
| Clause 48 | Appointment and dismissal of police officers.               |

#### Performance Management Arrangements for Staff

|           |                                                             |
|-----------|-------------------------------------------------------------|
| Clause 49 | Annual performance agreements with staff.                   |
| Clause 50 | Annual performance assessment of staff.                     |
| Clause 51 | Authority to operate performance incentive arrangements.    |
| Clause 52 | Calculation of performance component of staff remuneration. |
| Clause 53 | Right of appeal to chief officers.                          |
| Clause 54 | Right of appeal to Civil Service Appeals Commission.        |

#### Other Personnel Obligations of Chief Officers

|           |                                                                         |
|-----------|-------------------------------------------------------------------------|
| Clause 55 | Good employer.                                                          |
| Clause 56 | Chief officers to publish and promote Public Service Values.            |
| Clause 57 | Chief officers to publish and promote Public Servant's Code of Conduct. |

**The Chairman:** The question is that clauses 45—

**Mr. Rolston M. Anglin:** Madam Chairman.

**The Chairman:** Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Chairman, I know we are all at the point of diminishing returns, but if I might just be permitted. With regard to section 51(1) I still was not fully satisfied as to understanding why it is that the chief officer has discretion to operate performance agreements. One of the points I had raised during my debate was the whole issue that I thought the principle was that everyone would be operating under some form of performance incentive arrangements.

**The Chairman:** Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Chairman. In fairness, that point was raised and I

apologise for not having responded to it when I summed up.

In a lot of ways this legislation is to *empower* people rather than to order and direct people. We think we have created an overall system that provides incentives to people to do the right thing, and, as such, that it is not necessary to spell out and direct a chief officer to say that every employee should have such an arrangement. We expect that agencies will progressively look to apply performance incentives and that they will take different forms. Certainly, chief officers will be critiqued on their performance; but like I say, the spirit is not to say that you *shall* do this and do that but rather to give people the *power* to do it because we do not want people to simply put something in place because the law says you shall have a system. Our way of thinking was that the system must be functional, effective and suitable and not simply done to comply with a requirement.

If we find chief officers who are not taking advantage of this, then, obviously, that becomes a substantial issue in review of their own performance. We simply did not think it was appropriate to mandate that you shall have performance-incentive arrangements for all staff members.

**Mr. Rolston M. Anglin:** Madam Chairman.

**The Chairman:** Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Chairman, while I understand what the Acting First Official Member has said, I draw his attention to section 31 where it states that, prior to the commencement of each financial year a chief officer of a ministry *shall* prepare and agree with the head of the civil service an annual performance agreement. So there are lot of places in the law where the word "shall" is there and you are tying people.

I just thought that where we were going was not just having performance agreements and evaluations, but that we were tying some sort of incentive to them. It does not only have to be money. I thought the tying of incentives to those performance agreements was a cornerstone to the system actually operating.

So what is the incentive now for a person who is, say, the equivalent of a messenger doing an exceptional job and trying to excel? Granted, you want a decent evaluation but your evaluation for a certain post will be pretty blasé. Where is the incentive now to go above and beyond?

You want a good evaluation? Good. What is the reward after getting that good evaluation? If it is stipulated that there is going to be a performance arrangement and an evaluation, then I think it should be stipulated that there should be some reward.

**Hon. D. Kurt Tibbetts:** Madam Chair.

**The Chairman:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you. If the Acting Chief Secretary would allow me quickly, I think the analogy in this case is simply this: We are moving from not being shown where we are going but telling everybody, every step of the way, how they have to go; from knowing exactly where we are going but leaving it up to the chief officers as to how they get there. Instead of defining every action on their part they will have their outcomes and outputs to be achieved and they will be more in control of how they use the pool of resources to accomplish those outcomes.

I believe the spirit of the law was simply not to try to tie hands too much because styles may vary and the job has to get done. The incentives that the Second Elected Member for West Bay speaks to will naturally come to bear in the other sequence of performance agreements because that is what is going to decide for the chief officer how he or she accomplishes the outputs and outcomes required with their performance agreements.

The system has to work flowing as smoothly from the top down as from the bottom up, and if you begin to tie the way certain things have to happen, the rungs of the ladder start to fall apart.

I understand exactly what the Member is saying. I chose to say that because while understanding that I believe that although I have not specifically countered the argument, it was simply to make some comments to show that it is not that what he is fearing will not happen. It is just that I do not think the intention is to have that specified in the law. There is a risk in doing that because the same way we have a problem now with the business of increments is the same way, systematically, we could end up with that problem with the incentives. If you start to bastardise the process to where you find the loopholes in the system and you speak to your outcomes and your outputs and you are always able to pile everything again, you are going into the system except you are calling it a different name.

The Second Elected Member for West Bay, Madam Chair, has nodded to me that he has no intentions of commenting.

*[Laughter]*

**Mr. Rolston M. Anglin:** Madam Chairman.

**The Chairman:** I will allow one more question, please.

Second Elected Member for West Bay.

**Mr. Rolston M. Anglin:** I have said my peace on that and I move on to section 55, "Good employer".

Madam Chairman, I have a great concern with the first item that is included in being a good em-

ployer, which is good and safe working conditions. I spoke of the Glass House. I remember our district we were informed that the building formerly the Sunrise Centre—now the satellite office for the Department of Children and Family Services—had been condemned by the Fire Department. Whoever the chief officer of that ministry was at that time would have been breaking the law. Not only did they have employees in that building, but there were also high-risk members of the public with physical disabilities.

So I want to know what is going to happen when the Governor assents. I say this in all seriousness: if the Glass House has been deemed to not be good and safe—I mean, the Governor and his staff have moved out!—is it that chief officers for every ministry and portfolio in there will be breaking the law? And if somebody wanted to be flippant they could bring some sort of action under this law?

**The Chairman:** Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Madam Chairman, I hear the Member's comments and I do not doubt there are people who will want to be flippant. I do not think the penal provisions of the law extend to us being convicted for not operating a, if he wants to call it, a safe environment. We know the history of the Glass House, but I do not think that is any reason for us not to commit to operating to those standards.

The situation with the Glass House is being addressed and I would hope that the situation he referred to at the other location has also been attended to.

**The Chairman:** The question is that clauses 45 through 57—

**Ms. Lucille D. Seymour:** Madam Chair.

**The Chairman:** Third Elected Member for the district of George Town.

**Ms. Lucille D. Seymour:** Thank you very much, Madam Chair.

Under 55(1)(c) I think the Acting First Official Member this morning alluded to (if I may say in my own words) not having to commit to ensuring about Caymanians, as I made a comment. I wanted to ask, just for my own interpretation, how will they go about ensuring "**(c) recognition of the need for the advancement of Caymanians in all parts of the civil service**"? That is specific in the law and an obligation under the personnel officers. I think it went a little contrary to what he said this morning as he summed up.

**The Chairman:** Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Madam Speaker, I did not think that my comments earlier were contradictory to this. In fact, this was one of the cornerstone provisions that I was referring to when I said that the law was certainly not lacking in its recognition of the preference and the opportunity that Caymanians should be afforded. My point simply was that while that afforded you an opportunity, that in itself, could not be humoured to be in contradiction of merit. Where people are of similar ability, certainly the Caymanian got the preference, but we certainly did not want to humour it beyond that was I think the comment I made earlier.

Certainly, we expect employers to give every opportunity for the development and advancement of Caymanians, and it will be one of the areas that chief officers and heads of departments should be critiqued on to demonstrate their compliance with these criteria here.

**The Chairman:** The question is that clauses 45 through 57 do form part of the Bill.

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

**Ayes.**

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

**Agreed: Clauses 45 through 57 passed.**

### Part VIII – Civil Service Appeals Commission

#### Clauses 58 – 71

**The Clerk:**

|           |                                                               |
|-----------|---------------------------------------------------------------|
| Clause 58 | Appointment of Civil Service Appeals Commission.              |
| Clause 59 | Duties of Civil Service Appeals Commissions.                  |
| Clause 60 | Meeting procedures, etc. of Civil Service Appeals Commission. |
| Clause 61 | Privilege of Civil Service Appeals Commission documents.      |

### Part IX – Miscellaneous

#### Provisions relating to the Portfolio of Legal Affairs

**The Clerk:** Clause 62 Provisions relating to the Portfolio of Legal Affairs.

#### Protection from Liability

|           |                                                                                                   |
|-----------|---------------------------------------------------------------------------------------------------|
| Clause 63 | Protection of civil servants from liability.                                                      |
| Clause 64 | Indemnity of Civil Service Appeals Commission.                                                    |
| Clause 65 | Governor and government not liable for actions of statutory authorities and government companies. |

#### Personnel Regulations

Clause 66 Power to make regulations.

#### Offences

Clause 67 Offences.

#### Transitional Arrangements

|           |                                               |
|-----------|-----------------------------------------------|
| Clause 68 | Preservation of employment of Civil Servants. |
| Clause 69 | Transitional.                                 |
| Clause 70 | Rights of appeal of employees.                |

#### Repeals

Clause 71 Repeals.

**The Chairman:** The question is that clauses 58 through 71 do form part of the Bill.  
All those in favour please say Aye.

**Hon. W. McKeever Bush:** Madam Chairman.

**The Chairman:** The new clause comes at the end, so we will do the new clause as soon as I have finished getting the question on 58 through 71. We will go back to clause 67 as the Standing Orders require.  
Honourable Leader of the Opposition.

**Hon. W. McKeever Bush:** You explained it Madam.

**The Chairman:** The question is that clauses 58 through 71 do stand part of the Bill.  
All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clauses 58 through 71 passed.**

#### New Clause 66(a) [67]

**The Chairman:** Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Chair.

I beg to move that we insert a new clause and I also ask that rather than numbered 66(a) as has been circulated that it is numbered 67 and, as such, still inserted after the existing clause 66. The clause would read: **“67. The Cayman Islands Government recognizes the Cayman Islands Civil Service Association as the duly appointed representative of the civil service and the Head of the Civil Service, the Portfolio of the Civil Service and chief officers are to similarly recognize the Association and liaise with it as appropriate over human resource issues for which they are responsible.”**

**The Chairman:** The question is that this clause be read a second time.

**Hon. W. McKeeva Bush:** Madam Chairman.

**The Chairman:** Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** I just want to thank the Acting Official Member for including this. I note that this was one of the few points I had raised and I also know that the Second Elected Member for Cayman Brac raised it. I am glad that the Chief Secretary accepted it and I am sure that this will better serve the Association.

**The Chairman:** The question is that this clause be read a second time.

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

**Ayes.**

**The Chairman:** The Ayes have it. Clause [67] read a second time.

**Agreed: Clause 67 read a second time.**

**The Chairman:** The question is that this clause be added to the Bill as clause number 67 and that the subsequent clauses be renumbered accordingly.

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

**Ayes.**

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

**Agreed: Clause 67 passed.**

**The Clerk: A Bill for a Law to Establish a New System of Human-Resource Management in the Civil Service; To Establish the Office of Head of the Civil Service and Define its Functions and Responsibilities; to Establish the Civil Service Appeals Commission; to Repeal the Public Service Commission Law; and for Incidental and Connected Purposes**

**The Chairman:** The question is the Title do form part of the Bill.

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

**Ayes.**

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

**Agreed: Title passed.**

## **The Customs (Amendment) Bill, 2005**

### **Clauses 1 – 4**

**The Clerk:**

|          |                                                  |
|----------|--------------------------------------------------|
| Clause 1 | Short title and commencement.                    |
| Clause 2 | Amendment of section 2 definitions.              |
| Clause 3 | Amendment of section 4 appointment of collector. |
| Clause 4 | Amendment of section 6 officers.                 |

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

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

**Ayes.**

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

**Agreed: Clauses 1 through 4 passed.**

**The Clerk:** A Bill for a Law to Amend the Customs Law (2003 Revision) to Enable Staff for the Customs Department to be Appointed by the Chief Officer in Accordance with the Public Service Management Law; and for Incidental and Connected Purposes.

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

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

**Ayes.**

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

**Agreed: Title passed.**

**The Chairman:** The Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, since these are all consequential amendments, I wonder whether we could apply the same procedure and take them all at one time.

**The Chairman:** The motion has been duly moved. Can I have a Seconder? At the end the titles will have to be read separately.

**Hon. D. Kurt Tibbetts:** This time, Madam Chair, I am happy to second the motion.

**Hon. W. McKeeva Bush:** This time? What about the last time?

**The Chairman:** The question is that the clauses contained in The Complaints Commissioner (Amendment) Bill, 2005; The Fire Brigade (Amendment) Bill, 2004; The Grand Court (Amendment) Bill, 2005; The Sum-

mary Jurisdiction (Amendment) Bill, 2005; The Police (Amendment) (No. 2) Bill, 2005; and The Prisons (Amendment) (No. 2) Bill, 2005, form part of the Bill.

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

**Ayes.**

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

**Agreed: The Clauses in The Complaints Commissioner (Amendment) Bill, 2005; The Fire Brigade (Amendment) Bill, 2005; The Grand Court (Amendment) Bill, 2005; The Summary Jurisdiction (Amendment) Bill, 2005; The Police (Amendment) (No. 2) Bill, 2005; and The Prisons (Amendment) (No.2) Bill, 2005, passed.**

**The Complaints Commissioner (Amendment) Bill, 2005,  
The Fire Brigade (Amendment) Bill, 2005  
The Grand Court (Amendment) Bill, 2005  
The Summary Jurisdiction (Amendment) Bill, 2005  
The Police (Amendment) (No. 2) Bill, 2005  
The Prisons (Amendment) (No.2) Bill, 2005**

**The Clerk:** A Bill for a Law to Amend The Complaints Commissioner Law (2003) to Enable Support Staff of the Commissioner to be Appointed by the Commissioner in Accordance with The Public Service Management Law; and for Incidental and Connected Purposes.

A Bill for a Law to Amend The Fire Brigade Law, (1999 Revision) to Enable Officers of the Fire Brigade to be Appointed by the Chief Officer in Accordance with The Public Service Management Law; and for Incidental and Connected Purposes.

A Bill for a Law to Amend The Grand Court Law (1995 Revision) to Enable Support Staff for the Grand Court to be Appointed by the Chief Officer in Accordance with The Public Service Management Law; and for Incidental and Connected Purposes.

A Bill for a Law to Amend the Summary Jurisdiction Law (2004 Revision) to Enable Support Staff for the Summary Court to be Appointed by the Chief Officer in Accordance with The Public Service Management Law; and for Incidental and Connected Purposes.

A Bill for a Law to Amend The Police Law (2005, Revisions) to Make Certain Changes Relating to the Appointment of the General Staff to Work with the Police Service; and for Incidental and Connected Purposes.

A Bill for a Law to Amend The Prison Law No. 14 of 1975 to Enable Staff of the Prisons to be Ap-

pointed by the Chief Officer in Accordance with The Public Service Management; and for Incidental and Connected Purposes.

**The Chairman:** The question is that the Titles do form part of the Bills.

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

**Ayes.**

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

**Agreed: Titles in The Complaints Commissioner (Amendment) Bill, 2005; The Fire Brigade (Amendment) Bill, 2005; The Grand Court (Amendment) Bill, 2005; The Summary Jurisdiction (Amendment) Bill, 2005; The Police (Amendment) (No. 2) Bill, 2005; and The Prisons (Amendment) (No.2) Bill, 2005, passed.**

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

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

**Ayes.**

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

**Agreed: Bills to be reported to the House.**

**House resumed at 5.26 pm**

**The Speaker:** Please be seated.

## **REPORTS ON BILLS**

**The Public Service Management Bill (2005);  
The Customs (Amendment) Bill, 2005;  
The Complaints Commissioner (Amendment) Bill,  
2005;  
The Fire Brigade (Amendment) Bill, 2005;  
The Grand Court (Amendment) Bill, 2005;  
The Summary Jurisdiction (Amendment) Bill,  
2005;  
The Police (Amendment) (No. 2) Bill, 2005;  
The Prison (Amendment) (No. 2) Bill, 2005**

**The Speaker:** Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Madam Speaker, I beg to report that a Bill entitled The Public Service Management Bill, 2005, was considered by a Committee of the whole House and passed with amendments.

I also beg to report that a Bill entitled The Customs (Amendment) Bill, 2005, was considered by a Committee of the whole House and passed without amendment.

A Bill entitled The Complaints Commissioner (Amendment) Bill, 2005, was considered by a Committee of the whole House and passed without amendment.

A Bill entitled The Fire Brigade (Amendment) Bill, 2005, was considered by a Committee of the whole House and passed without amendment.

The Grand Court (Amendment) Bill, 2005, was considered by a Committee of the whole House and passed without amendment.

The Summary Jurisdiction (Amendment) Bill, 2005, was considered by a Committee of the whole House and passed without amendment.

The Police (Amendment) (No. 2) Bill, 2005, was considered by a Committee of the whole House and passed without amendment.

The Prison (Amendment) (No. 2) Bill, 2005, was considered by a Committee of the whole House and passed without amendment.

**The Speaker:** The Bills have been duly reported and set down for the Third Reading.

### THIRD READINGS

#### The Public Service Management Bill (2005)

**The Speaker:** Honourable Acting First Official Member.

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Speaker.

I beg to move that a Bill entitled The Public Service Management Bill, 2005, be given a third reading and passed.

**The Speaker:** The question is that a Bill shortly entitled The Public Service Management Bill, 2005, as amended, be given a third reading and passed.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Public Service Management Bill, 2005, has been read a third time and is passed.

**Agreed. The Public Service Management Bill, 2005, given a third reading and passed.**

**The Speaker:** Honourable Acting First Official Member.

#### The Customs (Amendment) Bill, 2005

**Hon. Donovan W.F. Ebanks:** Madam Speaker, I beg to move that The Customs (Amendment) Bill, 2005, be given a third reading and passed.

**The Speaker:** The question is that a Bill shortly entitled The Customs (Amendment) Bill, 2005, be given a third reading and passed.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Customs (Amendment) Bill, 2005, has been read a third time and is passed.

**Agreed. The Customs (Amendment) Bill, 2005, given a third reading and passed.**

**The Speaker:** Honourable Acting First Official Member.

#### The Complaints Commissioner (Amendment) Bill, 2005

**Hon. Donovan W.F. Ebanks:** Madam Speaker, I beg to move that The Complaints Commissioner (Amendment) Bill, 2005, be given a third reading and passed.

**The Speaker:** The question is that a Bill shortly entitled The Complaints Commissioner (Amendment) Bill, 2005, be given a third reading and passed.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Complaints Commissioner (Amendment) Bill, 2005, has been read a third time and is passed.

**Agreed. The Complaints Commissioner (Amendment) Bill, 2005, given a third reading and passed.**

**The Speaker:** Honourable Acting First Official Member.

#### The Fire Brigade (Amendment) Bill, 2005

**Hon. Donovan W.F. Ebanks:** Madam Speaker, I beg to move that The Fire Brigade (Amendment) Bill, 2005, be given a third reading and passed.

**The Speaker:** The question is that a Bill shortly entitled The Fire Brigade (Amendment) Bill, 2005, be given a third reading and passed.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Fire Brigade (Amendment) Bill, 2005, has been read a third time and is passed.

**Agreed. The Fire Brigade (Amendment) Bill, 2005, given a third reading and passed.**

**The Speaker:** Honourable Acting First Official Member.

#### **The Grand Court (Amendment) Bill, 2005**

**Hon. Donovan W.F. Ebanks:** Madam Speaker, I beg to move that The Grand Court (Amendment) Bill, 2005, be read a third time and passed.

**The Speaker:** The question is that a Bill shortly entitled The Grand Court (Amendment) Bill, 2005, be given a third reading and passed.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Grand Court (Amendment) Bill, 2005, has been read a third time and is passed.

**Agreed. The Grand Court (Amendment) Bill, 2005, given a third reading and passed.**

**The Speaker:** Honourable Acting First Official Member.

#### **The Summary Jurisdiction (Amendment) Bill, 2005**

**Hon. Donovan W.F. Ebanks:** Madam Speaker, I beg to move that The Summary Jurisdiction (Amendment) Bill, 2005, be given a third reading and passed.

**The Speaker:** The question is that a Bill shortly entitled The Summary Jurisdiction (Amendment) Bill, 2005, be given a third reading and passed.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Summary Jurisdiction (Amendment) Bill, 2005, has been read a third time and is passed.

**Agreed. The Summary Jurisdiction (Amendment) Bill, 2005, given a third reading and passed.**

**The Speaker:** Honourable Acting First Official Member.

#### **The Police (Amendment) (No. 2) Bill, 2005**

**Hon. Donovan W.F. Ebanks:** Madam Speaker, I beg to move that The Police (Amendment) (No. 2) Bill, 2005, be given a third reading and passed.

**The Speaker:** The question is that a Bill shortly entitled The Police (Amendment) (No. 2) Bill, 2005, be given a third reading and passed.

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

**Ayes.**

**The Speaker:** The Ayes have it. The Police (Amendment) Bill, 2005, has been read a third time and is passed.

**Agreed. The Police (Amendment) Bill, 2005, given a third reading and passed.**

**The Speaker:** Honourable Acting First Official Member.

#### **The Prison (Amendment) (No. 2) Bill, 2005**

**Hon. Donovan W.F. Ebanks:** Thank you, Madam Speaker. I beg to move The Prisons (Amendment) (No. 2) Bill, 2005, be given a third reading and passed.

**The Speaker:** The question is that a Bill shortly entitled The Prisons (Amendment) (No. 2) Bill, 2005, be given a third reading and passed.

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

**Ayes.**

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

**Agreed: The Prisons (Amendment) (No. 2) Bill, 2005, given a third reading and passed.**

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

### **STATEMENTS BY HONOURABLE MINISTER/MEMBERS OF THE CABINET**

#### **No Amendment to Legislation for Christmas Eve and New Year's Eve Activities**

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

The issue of permitted hours as they relate to public festivities this Christmas Eve and New Year's Eve has attracted a great deal of public attention and debate. As many are aware, this year Christmas Eve and New Year's Eve fall on Saturday which means that the sale of alcohol and live music at public events will have to cease at midnight. It had been proposed that Christmas Eve and New Year's Eve should receive special consideration by amending the laws to



allow festivities at public events to continue beyond midnight.

Madam Speaker, it is recognised that regardless of which day of the week Christmas Eve falls on, we have never allowed any change in policy or legislation that would permit the sale of alcohol and live music to continue beyond midnight. To reiterate, the Government at no time considered this proposal with respect to Christmas Eve as it is so contrary to the traditions of these Islands.

The proposal with respect to New Year's Eve did, however, receive thorough consideration. Input from the general public and various organisations was considered. In the end, the proposal to amend the law to allow for the sale of alcohol and to allow live music to continue beyond the hour of midnight on New Year's Eve was not approved.

In reviewing the matter the Government considered the arguments both in support of and against the proposal and has decided that the existing laws will not be changed. The Government is fully aware that any decision, either in favour or against the proposal, will evoke significant opposition.

As the Minister of Tourism, I also understand the importance that members of the tourism community in particular have assigned to this matter. Consequently, the Government will consider the ongoing issue of live music on Sundays as it relates to private tourism events at hotels. In this instance, the current laws will continue to apply for Christmas Eve and New Year's Eve. I trust that even where persons may disagree with the decision they will respect that the Government has considered this matter long and hard. As always, the Government's decision was made with the best interest of these Islands in mind.

I thank you, Madam Speaker.

## OTHER BUSINESS

### PRIVATE MEMBERS' MOTIONS

#### Private Member's Motion No. 1/05

##### Hospitality Services Training Centre (Deferred)

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

**Hon. W. McKeeva Bush:** Madam Speaker, I am requesting that this Motion be deferred to a later Meeting.

**The Speaker:** The question is that Private Member's Motion No. 1/05 be deferred to a later Meeting.

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

**Ayes.**

**The Speaker:** The Ayes have it. Private Member's Motion No. 1/05 is duly deferred to a later Meeting.

**Agreed. Private Member's Motion No. 1/05 deferred to a later Meeting.**

## ADJOURNMENT

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker.

As per discussions, because by law we have to deliver to the Legislative Assembly the strategic policy statement for the 2006/7 Budget by 1<sup>st</sup> December, I beg to move the adjournment of this honourable Legislative Assembly until 10 am Wednesday 30<sup>th</sup> November.

**The Speaker:** The question is that this honourable House do now adjourn until 10 am Wednesday 30<sup>th</sup> November.

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

**Ayes.**

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

**At 5.35 pm the House stood adjourned until 10 am Wednesday, 30 November, 2005.**



**OFFICIAL HANSARD REPORT**  
**WEDNESDAY**  
**30 NOVEMBER 2005**  
**10.10 AM**  
*Thirteenth Sitting*

**The Speaker:** I call upon the Third Elected Member for George Town to deliver the Prayer.

**The Speaker:** I have no messages or announcements.

**PRAYERS**

**Ms. Lucille D. Seymour:** Let us pray.

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

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

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

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

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

**Proceedings resumed at 10.12 am**

**The Speaker:** Before we begin, I ask that Members please turn off all cellular phones while in the Chamber. When a microphone is on, whether the phone is on silent or vibrating, it is picked up.

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

**PRESENTATION OF PAPERS  
AND OF REPORTS**

**Strategic Policy Statement of the Government of  
the Cayman Islands for the Year Ending 30 June  
2007**

**The Speaker:** I call on the Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I beg to lay on the Table of this Honourable House, the Strategic Policy Statement of the Government of the Cayman Islands for the year ending 30 June 2007.

**The Speaker:** So ordered.

Does the Honourable Leader of Government Business wish to speak thereto?

**Hon. D. Kurt Tibbetts:** I will do so with the Motion, Madam Speaker.

**Financial Statements of the Cayman Islands Stock  
Exchange for the Year Ended 31 December 2002**

**The Speaker:** I call on the Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker. I beg to lay on the Table of this Honourable House, the Financial Statements of the Cayman Islands Stock Exchange for the year ended 31 December 2002.

**The Speaker:** So ordered.

Does the Honourable Member wish to speak thereto?

**Hon. G. Kenneth Jefferson:** Yes, just to make brief remarks.

Madam Speaker, on Monday, 7 November, I tabled the financial statements [of the] Exchange for the 18-month period ended 30 June 2004. Those financial statements contained a column that indicates the figures in respect of the 12-month period for 31 December 2002. Furthermore, on 7 November I made comments that compared the 2002 results with those of the 18-month period to 30 June 2004. I have there-

fore effectively already made comments on the 2002 financial statements that have just been tabled.

Madam Speaker, it would have been more appropriate to have presented the December 2002 financial statements of the Exchange to this Honourable House followed by the financial statements for the 18-month period to 30 June 2004. That order has been reversed by an administrative oversight.

I do not need to make any further comments on 31 December 2002 financial statements of the exchange, but it is important to state that the 2002 financial statements have received an unqualified or clean audit opinion from Deloitte and the Auditor General.

Thank you, Madam Speaker.

#### **Report of the Standing Business Committee for the Fourth Meeting of the 2005 Session of the Legislative Assembly**

**The Speaker:** I call on the Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I beg to lay on the Table the Report of the Standing Business Committee for the Fourth Meeting of the 2005 Session of the Legislative Assembly.

**The Speaker:** So ordered.

Does the Honourable Leader of Government Business wish to speak thereto?

**Hon. D. Kurt Tibbetts:** No, Madam Speaker, the documents are self explanatory.

#### **University College of the Cayman Islands - Annual Report 2004/5 and Audited Financial Statements June 2004**

**The Speaker:** I call on the Honourable Minister responsible for Education.

**Hon. Alden M McLaughlin, Jr:** Thank you, Madam Speaker.

I beg to lay on the Table of this Honourable House, the Annual Report 2004/5 and Audited Financial Statements June 2004 of the University College of the Cayman Islands.

**The Speaker:** So ordered.

Does the Honourable Minister wish to speak thereto?

**Hon. Alden M McLaughlin, Jr:** No, Madam Speaker, the document is self explanatory.

#### **The Complaints Commissioner's "Own Motion Investigation Report 2" – Government Information Services, Department of Vehicle Licensing and Disposal of Vehicles following Hurricane Ivan**

**The Speaker:** I call on the Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

**Hon. Alden M McLaughlin, Jr:** Madam Speaker, as Chairman of the Legislative Committee on Oversight of the Office of the Complaints Commissioner it is my duty to lay on the Table of this Honourable House the "Own Motion Investigation Report 2" prepared by the Complaints Commissioner, Mr. John Epp, 29 August 2005, entitled, Government Information Services, Department of Vehicle Licensing and Disposal of Vehicles following Hurricane Ivan

**The Speaker:** So ordered.

Does the Honourable Minister wish to speak thereto?

**Hon. Alden M McLaughlin, Jr:** No, Madam Speaker.

#### **The Complaints Commissioner's Special Report to the Legislative Assembly in the Matter of the Complaints Commissioner Law, 2003, and Complaint Number 82 – filed 20 June 2005**

**The Speaker:** I call on the Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

**Hon. Alden M McLaughlin, Jr:** Madam Speaker, I beg to lay on the Table of this Honourable House the Special Report to the Legislative Assembly in the matter of the Complaints Commissioner Law, 2003, and Complaint Number 82 – filed 20 June 2005 dated 25 August 2005.

**The Speaker:** So ordered.

Does the Honourable Minister wish to speak thereto?

**Hon. Alden M McLaughlin, Jr:** Very briefly, Madam Speaker.

This report relates to a written complaint against the Department of Vehicle Licensing. The complaint alleges that the Department of Vehicle Licensing failed to provide the complainant with a copy of her certificate of vehicle ownership and registration upon the transfer of a car which she allegedly purchased from a member of the Royal Cayman Islands Police in that member's personal capacity.

I had a look at the report (which was presented to me by the Complaints Commissioner), and the report concludes that the conduct of this investigation is now in the hands of the Royal Cayman Islands Police Force and is being investigated as a possible criminal offence.

In light of that, I asked the Complaints Commissioner to redact the report and remove the evidence and findings of his office on the basis that the matter is sub-judice, and if the information gets into

the public domain it might prejudice the investigation that is going on.

So the report which will be laid on the Table of this Honourable House will contain only a synopsis of the complaint and the statement that the matter has been turned over to the police for investigation. So I ask honourable Members who have copies of the full report to please surrender them to the Serjeant and obtain copies of the redacted report.

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

**Hon. W. McKeeva Bush:** Madam Speaker, is the Member saying that this report contains the information that would provide sub-justice if aired in public?

**The Speaker:** Yes, Honourable Member.

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

**The Speaker:** I have received no notice of Statements by Honourable Ministers and Members of Cabinet.

I call on the Honourable Leader of Government Business.

#### Suspension of Standing Order 24(5)

**Hon. D. Kurt Tibbetts:** Madam Speaker, this morning's Sitting is not the beginning of a new Meeting; it is the continuation of the Fourth Meeting for the year. As a result, because five days' notice would have had to be given before the beginning of the Meeting it was physically impossible to meet this deadline for these two Government Motions. So, I beg to move the suspension of Standing Order 24(5) in order that both Motions are heard.

**The Speaker:** The question is that Standing Order 24(5) be suspended in order for two Government Motions to be brought at this Sitting. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Standing Order 24(5) suspended to allow two Government Motions to be brought without due notice.**

**The Speaker:** Proceedings will be suspended for five minutes to allow an addendum to the Order Paper so that we can continue with the two Government Motions. I ask that all Members remain in the Chamber.

**Proceedings suspended at 10.26 am**

**Proceedings resumed at 10.33 am**

[Addendum Order Paper circulated]

## GOVERNMENT BUSINESS

### MOTIONS

#### Government Motion No. 7/05

##### Approval of the Strategic Policy Statement for the 2006/7 Financial Year

**The Speaker:** I call on the Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I beg to move Government Motion No. 7/05, entitled, Approval of the Strategic Policy Statement for the 2006/7 Financial Year. The Motion reads:

**WHEREAS section 23(1) of the Public Management and Finance Law (2005 Revision) states that a 'strategic policy statement for the next financial year shall be presented to the Legislative Assembly by a member of the Governor in Cabinet appointed by the Governor in Cabinet to do so on their behalf not later than the 1<sup>st</sup> December in each year for approval within two months, and if the Legislative Assembly has not within that period resolved to approve, amend or reject the statement it shall be deemed to be approved';**

**AND WHEREAS the Government has now prepared and presented a strategic policy statement for the 2006/7 financial year;**

**BE IT NOW THEREFORE RESOLVED THAT the Legislative Assembly approves the policy priorities, aggregate financial targets and financial allocations set out in the 2006/7 Strategic Policy Statement as the indicative parameters on which the 2006/7 Budget is to be formulated.**

**The Speaker:** The Motion has been duly moved and is open for debate. Does the Honourable Leader of Government Business wish to speak thereto?

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker.

In accordance with the requirements of the Public Management and Finance Law, this Strategic Policy Statement establishes the policy and financial parameters the Government intends to use to prepare its 2006/2007 Budget (the Budget for the financial year ending June 30 2007). That Budget will be presented to this honourable Legislative Assembly no later than 1 May 2006.

In accordance with its role, the Strategic Policy Statement is deliberately strategic and high level in nature. It does not allocate resources to individual expenditure items, nor does it specify the particular initiatives the Government intends to pursue. That detail

will be contained in the Annual Plan and Estimates when they are presented on Budget day.

The Strategic Policy Statement (SPS) outlines for consideration and approval by the Legislative Assembly, the strategic parameters on which the Budget will be based.

The Strategic Policy Statement (SPS) is a significant document not only because of its content but also because it marks the beginning of the Government's annual financial cycle. This is particularly so for the 2006/2007 SPS as it is the third major financial statement provided to this Honourable House since the election. It is also the first to have been prepared and tabled within the timelines established by the Public Management and Finance Law (2005 Revision). This reflects the fact that the Government's budgeting and reporting processes are now returning to normal after the deferrals brought about by Hurricane Ivan and the delayed General Election. I might add that achieving this has been no easy feat.

In the last 12 months it has been necessary to deal with the budgetary impacts of Hurricane Ivan, prepare two major supplementary budgets for the 2004/2005 year, prepare a pre-election economic and financial update for the first time, prepare the Strategic Policy Statement and Budget for the 2005/2006 financial year, and now to prepare the 2006/2007 Strategic Policy Statement.

I would like to say special thanks to the Honourable Third Official Member and his team in the Portfolio of Finance and Economics, and the chief financial officers and heads of departments in the various ministries and portfolios, for their hard work and dedication to these tasks. Madam Speaker, this achievement is very important to the welfare of this country. I would like to add that I know that I sometimes ride hard, but I am certain that we both understand and appreciate all of their efforts.

The proper and effective functioning of Government is dependent in large part on the provision of accurate and timely financial information to both the Cabinet and the Legislative Assembly. As part of the Hurricane Ivan recovery effort it was important that the Government got its own financial arrangement back on track as quickly as possible. The presentation of this SPS today is a further tangible measure of our steady progress in returning to normal after the events of September 2004.

Madam Speaker, if I were to assign a theme to the 2006/2007 SPS it would simply be this: "continuing what we have started." In the 2005/2006 Strategic Policy Statement and subsequent Budget, the Government established a very clear policy direction for our first term in office. That direction was based on two factors: delivering on the commitments made in the PPM's Manifesto and taking a medium-term perspective towards Government finances.

The Government remains fully committed to delivering on its campaign promises. These include completing the country's recovery from Hurricane

Ivan, combating crime, improving the level and quality of education and health services, investing in essential road infrastructure, and continuing support for the tourism and financial services sectors as the twin pillars of our economy. Significant progress has already been made in many of these areas during the relatively short time that the PPM Administration has been in office.

The parameters contained in this SPS reflect a continuation of the policy path established over the last six months. That policy path reflects the outcome goals documented for the first time in last year's SPS, which was delivered three months ago. Those eleven outcomes remain unchanged for the 2006/2007 through the 2008/2009 planning period. The Government's broad outcome goals are as follows:

1. To deal with the aftermath and lessons from Hurricane Ivan.
2. Address crime and improve policing.
3. Improve education and training.
4. Rebuilding the health services.
5. Addressing traffic congestion.
6. Embrace Cayman Brac and Little Cayman.
7. Conserve the environment.
8. Strengthen family and community.
9. Support the economy.
10. Open, transparent, honest and efficient public administration.
11. Sound fiscal management.

These eleven broad outcome goals have been read in no order of importance. I spoke at length about these outcomes at the time of the Budget Debate and also when the last SPS was presented, so it is not necessary for me to do it again on this occasion. I would like to reaffirm the Government's commitment to the achievement of each and every one of these goals.

During the early stages of our term as a government, we focused our attention on the most urgent matters at hand, particularly dealing with the aftermath of Hurricane Ivan (outcome goal 1) and addressing crime (outcome goal 2). We will continue to focus on these important areas for as long as it is necessary to do so. However, as time moves on and we make progress in these areas—and we are making progress and I have every confidence that we will continue to make progress, particularly in the recovery from Hurricane Ivan—the Government will be able to turn more of its attention to other policy areas. We hope and expect that this will be the case in the 2006/2007 financial year.

While the Budget for the current 2005/6 financial year allocated \$13.4 million for one-off, Ivan-related "extraordinary" expenditures, no such allocation is being provided for in 2006/7. We expect that the vast majority of Hurricane recovery expenditure will be complete by that time.

Madam Speaker, the Government's focus on hurricane recovery and law and order issues over the

last six months does not mean that we have not been active in the other nine outcome areas. Indeed, the opposite is the case. In the current 2005/6 financial year we are initiating policy actions in each of those other outcome areas. These include road initiatives to address traffic congestion—the Minister for Communications, Works and Infrastructure is almost consumed with the efforts he is expending. We are also dealing with significant policy and capital initiatives in the education sector (including the construction of the three new high schools) and major initiatives to improve the economic development and social infrastructure of the Sister Islands. This week the Government will be hosting a major economic development conference in Cayman Brac.

These, of course, are but a few of the initiatives the Government is currently undertaking, or has planned for the next three years. Others are outlined in the SPS.

The key point about this, Madam Speaker, is continuity of policy. This Government does not intend to flip-flop from one policy to another on a whim. Rather, we intend to deliver on the policy course established in the 2005/6 SPS and Budget—a course reflecting the policies on which we were elected. The policies provided for in the 2006/7 SPS deliberately represent a continuation of that course. Madam Speaker, this consistency of approach is also reflected in the financial targets established in the Strategic Policy Statement.

As I explained in May, in developing the 2005/6 Strategic Policy Statement, the Government worked hard to establish robust medium-term aggregate targets for the three-year periods, 2005/6, 2006/7 and 2007/8. That work ensured that those targets were achievable and sustainable. The targets also reflected the Government's medium-term policy agenda, not just for the budget year, but for the two out-years as well.

That work has set the platform for this 2006/7 SPS with the targets being derived directly from those in the 2005/6 Strategic Policy Statement. More precisely, the targets for 2006/7 financial year in this SPS have been established by taking the 2006/7 targets from the last SPS and then updating them for new economic, fiscal or policy factors that now exist.

This approach of "rolling forward" the targets from the previous SPS is different from the practice of the past. That involved developing targets independently of the previous strategy. Again, continuity is the order of the day. The change in approach is deliberate. It ensures that this 2006/7 Strategic Policy Statement is consistent with the medium-term policy and fiscal plan established at the beginning of our term of office. It reflects the Government's commitment to both honest government and strong fiscal management.

Madam Speaker, as one would hope—indeed expect—the aggregate financial targets in the SPS

continue to reflect the Government's fiscal strategy. Once again, that strategy is unchanged from 2005/6.

I spoke at length about the Government's fiscal strategy when I tabled the 2005/6 SPS in August. It is, therefore, not necessary to go over it in detail again today. However, by way of summary, our fiscal strategy has three elements: fiscal responsibility, addressing the country's social and economic infrastructure needs, and economic management.

Sound fiscal management is one of the Government's outcome goals and complying with the principles of responsible financial management is the most important plank of the Government's fiscal strategy. It is, and will continue to be, a key driver of the Government's financial decision making.

However, there are important infrastructure needs in the education, transportation and government administration sectors, among other areas that need (and are) being addressed. The second plank of the Government's fiscal strategy is to generate the cash flows necessary to finance priority infrastructure needs. This involves:

- keeping a tight rein on operating expenditure through expenditure control and reprioritisation;
- ensuring that public authorities are financially stable;
- undertaking new borrowing, provided that such borrowing is affordable; and
- increasing revenue.

All of these strategies have been applied in developing the financial targets in this SPS. Those targets make provision for the operating and capital expenditures necessary to achieve our outcome priorities. At the same time they comply with the principles of responsible financial management.

The targets make provision for a total of \$174.4 million of executive capital expenditure in 2006/7, 2007/8 and 2008/9. When the amount already provided for in the 2005/6 Budget is included, the expected capital expenditure over the four years from 2005/6 to 2008/9 is \$235.6 million.

This four-year capital programme is the largest in the history of the Cayman Islands. While it is seen to be ambitious, it is absolutely necessary. That programme reflects the continuation of the various capital projects announced as part of the 2005/6 Budget including the three new high schools, a new primary school in George Town, a fire station in Bodden Town, additional police assets and the ongoing development of the arterial road network.

For the first time, provision has also been made in the three-year targets for the commencement of the government office accommodation project and the construction of a new Court House (meaning a structure to house Summary Court and the various other courts outside of the Grand Court and the Court of Appeal).

In order to finance this capital programme, a multi-year borrowing programme has been allowed for in the targets. This amounts to \$182 million over the

next three years, or \$245 million taking into account the 2005/6 Budget provision.

The cost of the new borrowing, together with the operating costs of the new schools and other new assets, will increase the Government's operating expenses by around 11 per cent over the next three years. This is well beyond what the current revenue streams can finance, and we readily recognise that. The SPS targets therefore make allowance for \$25 million of new revenue measures for the 2006/7 financial year, and a further \$3 million in the next year.

To date, no decision has been made on the specific revenue measures to be introduced. That detail will be included in the Budget when it is presented next April. However, I wish to give every reassurance that in deciding on these measures the Government will carefully consider the likely economic impact the measures will have. In doing so the Government will give due consideration to its outcome goal of supporting the ongoing economic development of these Islands, particularly the twin pillars of tourism and financial services.

Madam Speaker, the Government takes the decision of looking at increased revenue and new revenue measures reluctantly but realistically. It is clear that Caymanians strongly desire better education, more resources for the police, better roads to reduce traffic congestion, and more professional (if I may use that word) government accommodation (especially after Hurricane Ivan) and the fact that the Tower Building is simply out of commission—seemingly for good. These things come at a price and we believe that residents are prepared to pay a little more to obtain these extra services.

The Government will ensure that new revenue measures are only used to fund demonstrable increases in government services—such as the new schools. Any changes to existing services will be funded by natural revenue growth or expenditure reprioritisation. The targets established in the 2006/7 SPS have been established on this basis.

Let me just interject and say that, at present, the Government is undergoing the task of creating an updated revenue register which will give a picture of every line item of revenue which the Government can look forward to on an annual basis. It is from those figures that projections are made each year in order to come up with realistic projected revenue for the Government, which is what the Budget is based on.

When we examine that entire picture, we believe that there are many areas that have not been looked at for many years, many areas that are termed to be isolated, and areas that do not directly affect the public in any manner. That is the approach we are taking and we will be looking at it in that manner as far as is possible, then we will move on.

Madam Speaker, perhaps the most important point about the financial targets is their affordability—in other words, whether they comply with the principles of responsible financial management established

by the Public Management and Finance Law (2005 Revision). As I said earlier the Government is fully committed to those principles and I am pleased to advise this Honourable House that the targets do indeed comply.

An operating surplus and positive net worth balance is targeted throughout the three-year forecast period. In addition, the level of cash reserves is maintained at or above the required level throughout that period. This includes a growth in cash levels, as the Public Management and Finance Law requires; reserves to be at a level equal to ninety days of executive expenses by 2008/9.

In relation to the principles relating to debt, the net debt ratio remains at approximately 60 per cent throughout the period, well below the maximum allowable 80 per cent.

The key ratio, however, is the borrowing ratio. This measures the ability of the Government to repay public debt by comparing the amount of interest and principal repayments to the level of Government revenue. As is to be expected with the level of new borrowing allowed for in the targets, this ratio rises steadily across the three year forecast horizon, reaching the maximum allowable level of 10 per cent in 2008/9.

Madam Speaker, from the outset the PPM Government has said that it will be an open, honest and transparent Government that the people can trust. In that vein, I should like to focus on the 10 per cent figure for a moment. While the forecast ratio indeed rounds off to 10 per cent, measured to one decimal point, the actual borrowing ratio for 2008/9 is 10.2 per cent. Specified at this level of accuracy, the ratio is slightly higher than the statutory limit. However, the level of non-compliance (if we are to really get down to it) is very minor at only 0.2 per cent and the Government intends to manage its borrowing programme after 2008/9 so that the borrowing ratio returns to 10.0 per cent or below.

Those are projections that are done from today. No matter how accurate you think you are in the various formulas that may be used, the fact of the matter is . . . I also am convinced that between now and then we will be able to manage in such a way that the .2 per cent that is projected will not be the actual when that year comes.

Madam Speaker, to satisfy itself that this is achievable the Government updated and extended the long-term financial projections prepared as part of the 2005/6 budget process. Those projections now extend out to 2015/16 and show the trend in government finances given the current policy settings and fiscal strategy. Those long-term projections show that the borrowing ratio quickly returns to 10 per cent or below.

Honourable Members do not have to take my word for it. Although not required by the law, the 2006/7 SPS includes a new section outlining the projections. Taken together with the three-year forecasts, the projections provide a ten-year indicative fiscal



track for the Government. This is long enough for the financial implications of policy decisions involving the end of the three-year target period to be fully reflected in the figures.

The publication of the long-run projections is yet another example of the PPM Government's commitment to responsible, open and honest government.

In conclusion Madam Speaker, the 2006/7 Strategic Policy Statement, presents a policy and financial framework for the next three years that continues the current set of policies. Those policies are based around our eleven outcome goals which include: supporting the economy; improving education and training; strengthening the family and community; addressing traffic congestion; and embracing Cayman Brac and Little Cayman.

The financial targets set in this SPS allow for the progression of key policy initiatives relating to these outcomes. They also provide for the next phase of the capital development programme initiated with the 2005/6 Budget, including additional schools and major road infrastructure projects. Additionally, they allow for the commencement of the Government Office Accommodation Project. This capital programme will be funded by a combination of expenditure control, borrowing and increased revenue measures and these are reflected in the targets.

The financial targets are robust and responsible. The updated long-run fiscal projections show that the targets are sustainable beyond the forecast period and are, therefore, affordable. The targets reflect the Government's commitment to fiscal responsibility and to ensuring that it delivers on its promises in a manner that the country can afford.

Madam Speaker, this SPS shows that the Government remains focused on delivering on its manifesto commitments. It shows that the Government is continuing with the policy direction it has established since coming into office, and it shows that the Government is continuing to manage the country's finances diligently, responsibly and transparently.

As the Honourable Third Official Member makes his contribution it will also be clear to the country that we now have one Government—elected and official—walking in the same direction.

Thank you.

**Hon. W. McKeever Bush:** Oh, you know that's not true!

*[Interjections and laughter]*

**The Speaker:** Are we finished now?

Does any other Member wish to speak? Honourable Leader of the Opposition.

**An Hon. Member:** Congratulate the Government and sit down now!

**Hon. W. McKeever Bush:** Madam Speaker, I am being asked to congratulate the Government and sit down. Well, I wish that I could do that, but the sad fact is that I believe the Government is on the wrong track with some of this.

In the Budget debate just completed, I warned of the Government not being able to sustain what they were saying. I still have my doubts and I wait to see the end result. But, now, this SPS bothers me.

First of all, Madam Speaker, the Government is intending to borrow \$300 million in their term. The Government is intending to borrow \$300 million! They have said that next year the people will be taxed \$25 million, and they have not said what will be taxed.

*[Interjections]*

**The Speaker:** Please stop the crosstalk to allow the Honourable Leader of the Opposition to continue with his debate.

**Hon. W. McKeever Bush:** I am being informed here a little bit more about what they intend to borrow and I do not mind that. They are saying there will be something like \$8 million, I think, for the next—

**The Speaker:** No, the Honourable Leader of Government Business, in his introduction, mentioned a figure of \$3 million, the following year.

**Hon. W. McKeever Bush:** Okay. So far that is \$28 million in taxing the people.

I know that the Honourable Leader of Government Business mentioned that it might not affect the people at all, however, I do not know what they are going to tax in this country of services that will not affect the people in one way or another. Services and imports—we have to import everything! I do not know what they can do that will not affect our people.

Madam Speaker, if you follow the paths that governments throughout the world have taken, every government or region that has borrowed their country into a debt spiral and resultant problems has had good-sounding excuses for the borrowing. Those are mostly countries that have no alternatives. I believe the Cayman Islands do [have an alternative].

From what I see in the SPS, it is about \$300 million that they are projecting to borrow and that is in a six-year term with the vast majority of it being borrowed in their first four years. As I see it, the Government of the day is moving in the wrong direction. There are three overriding issues: foreign investments, people, and planning. From my point of view the Cayman Islands can get the investment to bring in the needed revenue, this is where the Government has a vast majority of its revenue over the years. The Government of the day needs to re-examine the way they are dealing with these areas.

We recognise that we do not have the human resources and skills to run businesses to the extent that this country demands and to the extent that we have developed, but we need the revenue.

The country cannot successfully develop without a planning policy that encourages development, local and foreign investment. When you have an individual who cannot manage the Planning Board—I understand it is now called the “Deferral Board”—it will stifle forward movement and the kind and amount of development that is needed to bring the revenue needed to do the things that the SPS is proposing. So the Government [will] tax, borrow and spend. Tax, borrow and spend!

Madam Speaker, this is not the Budget Debate, and I certainly do not intend to be long, but the overriding issues are there.

In this atmosphere where the Government said in its manifesto, and said so in the campaign, and, of course those people that were not with them but were with them voiced the same thing and some of them are now guiding the Planning Board and God knows where else they have them because . . . . As many press conferences as the Government may have, I do not think they are telling us where they have these people.

I want to know, because a government that says it is bad for an elected Member to be on a board yet puts someone that is rejected by the people on it, there has to be something radically wrong! The Government can say (and they are the Government), and they can move in whatever direction they want, but the areas that I have touched on here are three overriding issues for this country.

Foreign investment brings in the revenue; therefore it lessens the borrowing and taxing of the people. People and planning affects those also. You cannot run businesses in this country unless you have the required amount of work permits that can help run the business. Certainly, we have to have our own local people, and I am sure that the Government will see to that, but a business that cannot get their work permits cannot move forward and will not broaden and will not bring in the revenue for the country. So you have to borrow and tax.

Then, when you have a planning situation—of people that do not know what they are doing, Madam Speaker, leading the Planning Board—then we will have nothing but trouble and what is happening with deferrals. Therefore we will not get the revenue. And when they are dealing wrongly with people, then the people will not invest their money. Therefore, the Government will tax, spend, and borrow—borrow and tax!

So Madam Speaker, no, I cannot congratulate the Government as I was requested to do. I will have to abstain when it comes time to vote.

In his presentation, the Leader of Government Business did not say (nor did the document)

what the \$25 million in taxes will be or who it will affect or which businesses will feel the brunt.

No, Madam Speaker, I cannot congratulate the Government.

*[Laughter]*

**The Speaker:** Does any other Member wish to speak? The Honourable Third Official Member.

*[Interjections]*

**The Speaker:** We are acting like little children this morning. Can we become mature adults representing the country? Thank you.

**Hon. G. Kenneth Jefferson:** Thank you Madam Speaker, I rise in support of Government Motion No. 7/05.

The Honourable Leader of Government Business has provided an excellent overview of the Strategic Policy Statement (SPS) from a policy and strategic perspective. I would like to expand upon the economic forecasts that are contained in the SPS for the 2006/7 financial year that will end on 30 June 2007, and to explain the financial forecasts and the long-term projections contained in the statement.

Madam Speaker, the preparation of economic forecasts as a part of the strategic phase of the annual budget process is important for two reasons: First they provide the Government with an indication of how the economy has performed over the last year, and how it is forecast to perform over the current and the following two years. This is an important indicator in its own right because, as the Leader of Government outlined in his address, supporting the economy is one of the Government’s eleven outcome goals.

Secondly, the Government’s own revenue and expenditure position is strongly influenced by the state of the local economy. As a general rule, an increase in economic activity will tend to increase Government’s revenue. Conversely, an economic downturn will tend to reduce Government’s revenue and increase pressure on social expenditures such as poor relief and support for indigents. The forecast level of economic activity is, therefore, a key factor considered by the Portfolio of Finance and Economics when preparing financial forecasts.

Madam Speaker, section 3 of the SPS document that has been laid on the Table of this Honourable House, provides the forecast economic position of the Cayman Islands for the period 2006/7 to 2008/9. I shall refer to this period as being the three-year forecast horizon. The economic forecasts shown in section 3 of the SPS have been prepared by the Portfolio of Finance’s Economics and Statistics Office, (ESO for short).

The outlook for the Cayman Islands’ economy is not significantly different from the position I outlined to this Honourable House in August when the

2005/6 SPS was presented. In Table 2 on page 12 of the SPS, the ESO indicates that the Cayman Islands' economy grew by 0.9 per cent in the 2004 calendar year, compared to a global growth rate of 5.1 per cent. Our low 2004 growth rate was, of course, a direct result of Hurricane Ivan.

However, our economic growth, as measured by Gross Domestic Product (GDP) has rebounded strongly during the Hurricane Ivan recovery period. As indicated by Table 3 in the SPS, the ESO estimates that GDP grew by 3.7 per cent during the 2004/5 financial year and the office is forecasting growth of 5.4 per cent for the 2005/6 financial year that will end on 30 June 2006. This strong growth reflects both our own rapid recovery from Hurricane Ivan and the strengthening of global economic conditions.

During the 2004 calendar year, and the first nine months of 2005, the financial services' industry recorded growth with increases in: mutual fund registrations; insurance company registrations; captive insurance premiums; stock market capitalisation and listings, and new company registrations. The only decline during this period was in the number of bank and trust licences.

While the growth in the financial services sector continued unabated, the tourism sector was adversely affected by Hurricane Ivan. Visitor arrivals in the 2004 calendar year decreased by 7.5 per cent, relative to the previous year. This entire decline occurred in the post Hurricane Ivan period, in the period of September to December 2004.

The decline continued in the first nine months of the 2005 calendar year with a 7.4 per cent decrease in visitor arrivals in comparison to the same period in 2004—the robust period in 2004 was, of course, before Hurricane Ivan. While an overall visitor decline was experienced in the first nine months of 2005, cruise ship arrivals remained steady compared to 2004, but air arrivals declined significantly.

The decrease in stay-over visitors is, in large part, a reflection of the temporary decline in available tourist accommodation stock since Hurricane Ivan. The decline in stay-over visitors is expected to reverse once existing visitor accommodation is restored to pre-Hurricane Ivan levels and existing data supports this expectation. Significant improvement in air arrivals occurred during the second and third quarters of the 2005 calendar year as hotels, such as the Marriott, re-opened.

The impact of Hurricane Ivan is working its way out of the economy. This assertion is supported by data. For example, the value of building permits declined by 20 per cent in 2004. However, the first nine months of 2005 saw the value of building permits increase by approximately 80 per cent. This reflects not only the reconstruction effort following Hurricane Ivan but also post-Hurricane developments, particularly the Caymana Bay project.

A similar improvement trend is evident in the inflation figures. Table 2 in the SPS indicates that

consumer price inflation was 4.4 per cent in the calendar year 2004. On a year-to-year basis, inflation in September 2005 was 8.4 per cent compared to September 2004. This rapid increase in inflation over the last 12 months is directly related to price pressures resulting from Hurricane Ivan, particularly in the housing market. However, the ESO is expecting inflation to quickly stabilise. The six-year tracking of inflation in Table 3 of 2.5 per cent in the 2003/4 financial year and the rates in the following years of 6.5 per cent, 5.8 per cent, 2.9 per cent, 2.6 per cent and then an expected return to 2.5 per cent for the 2008/9 year, is a clear indication of the effects of Hurricane Ivan working its way out of our economy.

Overall, Madam Speaker, the latest economic data for the periods up to and including the 2005/6 financial year continue to indicate that the Cayman Islands' economy has shown remarkable resilience following the devastating impact of Hurricane Ivan.

### **The Economic Forecasts for the Next Three Years**

Looking to the future, the ESO forecasts indicate a return to “normal” pre-Hurricane Ivan economic conditions in the Cayman Islands over the three-year period covered by this SPS.

Table 3 in the SPS shows that the Cayman Islands' economy is forecast to grow by 3.6 per cent in the 2006/7 financial year and by 3.0 per cent in 2007/8 and 2008/9.

Table 3 also indicates that the size of the labour force and the number employed is forecast to grow. By 2008/9 the total number of persons in employment is expected to be approximately 30,500—a record high. At the same time, unemployment rates are expected to hold steady at approximately 4.5 per cent throughout the 2006/7 to 2008/9 period. These levels are marginally above the generally accepted ‘full employment’ rate for the Cayman Islands of 4 per cent.

### **Aggregate Financial Targets for the 2006/7 to 2008/9 Financial Years**

Madam Speaker, aggregate financial targets refer to the level of Operating Revenues; the level of Operating Expenses; the level of Borrowing; and the magnitude of Cash Flows that the Government must aim to achieve, or “target”, in order to fulfil its stated policy priorities.

As part of developing the budget for the current 2005/6 financial year, Government also established aggregate financial targets for the 2006/7 and 2007/8 years—as this was required by the Public Management and Finance Law.

In developing the SPS for the 2006/7 year that has just been Tabled, rather than discard those targets stated in the previous SPS and start again from scratch (as has been the practice in the past) those

targets have been used as the foundation for the 2006/7 SPS.

Specifically, the second and third year financial targets established in the 2005/6 SPS have been used as the basis or foundation for the 2006/7 and 2007/8 targets that are stated in the SPS that has just been tabled. This "rolling-forward" approach has helped lock-in fiscal control as well as ensures policy consistency with the current 2005/6 Budget.

In setting the financial targets for the 2006/7 SPS, the Government has worked hard to ensure that they are robust, achievable and sustainable over the medium term. Accordingly, as part of the SPS process, the financial target forecasts for major revenue items were reviewed and updated.

Revised forecasts were also obtained from the major public authorities and the results of those revisions have been incorporated in the aggregate financial targets for the three-year forecast horizon. As a final step to ensure affordability, the Government updated its long-term financial projections for all years up to 2015/16. This is to ensure that the forecasts for 2006/7 to 2008/9 (the three year horizon) are sustainable, particularly in relation to capital expenditure and financing, and also to ensure that they are consistent with the principles of responsible financial management in the short, medium and long term. The end result of this process, Madam Speaker, is the aggregate financial targets for the three financial years 2006/7 to 2008/9 that are contained in section 4 of the SPS.

Madam Speaker, honourable Members will see from Table 4 (on page 19 of the SPS) that the Government is "targeting" an operating surplus each year throughout the three-year forecast horizon. The Table indicates a forecast operating surplus of approximately \$30 million in 2008/9 financial year. These surpluses are consistent with the Government's fiscal strategy outlined by the Honourable Leader of Government Business. The operating surpluses will be used to fund essential social and economic infrastructure projects.

Operating revenue for 2006/7 is targeted to increase significantly in comparison with the figure in the 2005/6 Budget. Table 4 indicates that Government will aim to achieve operating revenues of \$418 million in 2006/7.

Some of this increase over the 2005/6 level is explainable by natural revenue growth resulting from enhanced economic activity. However, as the Honourable Leader of Government Business noted, the operating revenue targets also make allowance for new revenue measures.

Table 4 also indicates that operating expenses are targeted to increase in the three-year horizon period. The increase largely reflects the operating costs of the planned new schools, which are due to become operational in 2007/8, and also reflects additional resources for the Royal Cayman Islands Police Service.

As these major increases in expenditure are fully incorporated into the expense profile by the 2007/8 year, the operating expenses target for 2008/9 "flattens" or does not show any material increase in that year.

### Balance Sheet Targets

In respect of balance sheet targets, net worth (which is defined as total assets less total liabilities) is targeted to increase steadily over the three-year forecast horizon. The increase in net worth from an expected \$495 million in 2006/7 to \$542.5 million in 2008/9 is consistent with the increases that are targeted for operating surpluses. This position is shown by Table 4 in the SPS.

The end-of-year debt balance is expected to increase over the three-year forecast horizon. However, the borrowing levels targeted are consistent with the principles of responsible financial management.

**The Speaker:** Honourable Member is this a convenient point to take the morning suspension?

**Hon. G. Kenneth Jefferson:** Yes, Madam Speaker.

**The Speaker:** Proceedings will be suspended for fifteen minutes.

### Proceedings suspended at 11.39 am

### Proceedings resumed at 11.58 am

**The Speaker:** Please be seated.

Proceedings are resumed. The Honourable Third Official Member continuing his debate.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

Just before the break I made the point that the end of year debt balance is expected to increase over the three-year forecast horizon. I also made the point that the borrowing levels targeted are consistent with the principles of responsible financial management.

The Honourable Leader of Government Business [the Honourable Leader of the Opposition] made remarks in respect of the Government's borrowing plans and he made mentioned the figure of approximately \$300 million. I want to make a correction to that figure.

If we were to look at Table 6 in the Strategic Policy Statement, we will see that the borrowing in 2006/7 is anticipated to be \$89 million; in 2007/8 \$48 million; in 2008/9 \$45 million; in 2009/10 \$32 million and in 2010/11 \$23 million. Those amounts total to \$237 million and therefore not quite the \$300 million mentioned by the Honourable Leader of the Opposition.

**The Speaker:** Honourable Member when you started to speak on that you said the “Honourable Leader of Government Business” mentioned \$300 million, are you speaking of the Leader of Government Business or the Leader of the Opposition?

**Hon. G. Kenneth Jefferson:** Sorry, Madam Speaker. I meant the Leader of the Opposition. Thank you.

The way to assess debt affordability is not to look at the absolute amount of the debt such as the \$300 million figure but rather it is more important to consider the absolute amount of debt in relation to Government’s revenue stream. When we make that comparison between Government’s revenue streams, we find that the Government’s debt service ratio is affordable and this is demonstrated in Table 6.

The Government’s statutory limit for debt service ratio is a very conservative and modest 10 per cent. This is much more conservative than what is permitted in the commercial world where rates of 30 – 40 per cent are common. My comments are not made to detract from the spirit of the remarks made on this particular area. The Government itself is focused heavily on the matter of debt affordability and will continue to be so.

The borrowing level envisaged by the Government is in respect of essential infrastructure for the country. This dovetails with the other area mentioned by the Honourable Leader of the Opposition, and that was foreign investment into the Cayman Islands.

Internal investment by a government in its infrastructure often has a very high positive correlation with foreign investment coming into a country. The Government is confident that its planned capital expenditures will enhance foreign investment into the Cayman Islands.

Continuing with cash flow targets (these are indicated by Table 4 in the SPS), Net cash flows from operating activities are targeted to remain at healthy, positive levels. This, in turn, reflects the operating surpluses that are expected over the three-year forecast horizon. The positive operating cash flows will be used to partly-finance the Government’s capital programme—thereby reducing the borrowing requirement.

In line with the 2005/6 SPS, substantial net investing cash flows are targeted throughout the 2006/7 to 2008/9 years. The net investing cash flow figures indicate the extent of Government’s announced capital expenditure programme for the next three years, which includes new high schools and, an expanded network of roads. Allowance has also now been made in these forecasts for the Government office accommodation project.

The net financing cash flows reflect the Government’s anticipated borrowing programme over the period. The overall end-of-year closing cash position is targeted to increase throughout the three-year forecast horizon. This reflects the Government’s need to satisfy the requirement of the Public Management

and Finance Law that cash balances are to be no less than 90 days of executive expenditure by 2008/9. The targeted closing cash balance for the years 2006/7 to 2008/9 remains at, or above, the minimum level of cash balances required by the principles of responsible financial management. Overall, then, Madam Speaker, the three-year financial targets indicate a balanced and affordable fiscal position.

### Longer-Term Financial Projections

Madam Speaker, the Government is like any other organisation because its policy decisions made in one year can affect Government’s finances in subsequent years. An obvious example is borrowing—the decision to borrow is normally made in one year but its effects influence subsequent years. This means that what may be affordable in one year, may not be affordable in future years.

In order to create a longer-term perspective to fiscal decision making, the Public Management and Finance Law requires that the Government establish financial targets not just for the particular budget year in question, but also for the two subsequent years. This requires that, at the very least, the Government operate a forecasting process with a three-year horizon. That explains the origin of the three-year forecast horizon that I outlined previously.

Whilst a three-year forecast horizon is an improvement on the historical one-year outlook, it is still relatively short in financial impact terms. It is possible, for example, for the cumulative impact of new borrowing or expenditure increases in each of those three years not to become fully apparent until years four or five. In order to address this consideration, and to assure itself that the financial parameters set for the three-year horizon are sustainable over a longer period, a set of longer-term financial projections have been developed by the Government. These projections (which are contained in section 5 of the SPS) are for the seven years after the three-year target period required by the Public Management and Finance Law. In the case of this SPS, they cover the seven-year period from 2009/10 to 2015/16.

These seven years of projections, taken together with the three-year forecast horizon, provide a ten-year indicative fiscal profile for the Government. This is long enough for the financial impact of any policy decision taken at the end of the three-year forecast horizon, to become evident. Table 6 on page 24 of the SPS indicates the longer-term financial projections for the period from 2006/7 to 2015/16.

Madam Speaker, it is important to note that financial projections are not the same as forecasts. There are many uncertainties involved in looking-out over a longer period, and these uncertainties are too great to be able to prepare robust forecasts of likely financial activity. However, it is possible to project future revenues, expenditures and balance sheet activity on the basis of actual activity to date, the three-

year targets, current government policy, and assumptions as to future economic factors. The longer-term projections in section 5 of the SPS have been prepared on this basis.

The value of projections is not the precise position they show but, rather, the trend that they indicate. For example, projections that show a declining surplus over time would be an indication of an unsustainable financial position. Conversely, projections with a stable or increasing surplus would be an indication of stability.

Madam Speaker, the financial projections, shown by Table 6 in the SPS, indicate that the three-year target track is sustainable over the ten-year projection period. The projections show modest, but growing, operating surpluses. More importantly, the cash flow projections show that these operating surpluses are sufficient to finance the new borrowing to be entered into over the forecast and the projection period.

The projections allow for the new borrowing included in the three-year targets, together with additional borrowing in 2009/10 and 2010/11. This borrowing track reflects the financing required to fund the Government's planned capital programme over that five-year period.

As the Honourable Leader of Government Business indicated, the projections show the borrowing ratio just surpassing the limit of 10 per cent in 2008/9 before reducing thereafter. This shows that the level of capital expenditure and borrowing planned for the next five years is sustainable.

Importantly, the projections also show that after 2010/11, the Government's fiscal position will allow capital expenditure of at least \$12 million per annum. In other words, the capital expenditure and borrowing programme planned for the next five years still allows future governments enough "head-room" for reasonable amounts of capital expenditure over the medium to long term.

Further, as a result of the robust surplus projections, the outstanding balance of public debt can be reduced significantly over the projection period, without severely curtailing capital expenditure. The projections show, provided this fiscal discipline is maintained, that public debt can be returned to pre-2004 levels within the 10-year projection horizon. This is a further indication of the long-term affordability of the Government's planned capital and borrowing programme.

### Financial Allocations

Madam Speaker, the planned allocations of resources to Honourable Ministers and Official Members of Cabinet, are outlined by Tables 7 and 8, on page 32 of the SPS. Those allocations are consistent with the stated policy objectives of the Government. For example, one would expect that the Minister for Education would have a significant allocation of re-

sources to his Ministry given that the Government has announced that improving education is one of its key priorities.

This expectation is borne out by Table 8: approximately 65 per cent of planned Executive Investments in 2006/7 is shown to be allocated to the Ministry of Education. The SPS is therefore a logical document: its allocations of resources are consistent with the priorities that Government wishes to achieve.

Madam Speaker, let me conclude by summarising the key points from the economic and financial forecasts included in the 2006/7 Strategic Policy Statement.

The economic forecasts show that the economic effects of Hurricane Ivan are gradually working their way through, and out of, the Cayman Islands' economy. Over the three-year forecast horizon, economic growth, inflation and unemployment are all expected to return to levels consistent with our pre-Hurricane Ivan historical trend rates.

The three-year financial targets, which allow for the Government's planned expenditure, capital and borrowing programme, are affordable and sustainable over the medium term. This is validated by the ten-year projections to 2015/16 which show compliance with the principles of responsible financial management.

Madam Speaker, I commend the 2006/7 Strategic Policy Statement to all Honourable Members and, accordingly, I support Government Motion No. 7/05 which seeks the approval of the 2006/7 Strategic Policy Statement.

Thank you, Madam Speaker.

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

The Second Elected Member from West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Before I start my contribution to the business before the House, let me first apologise for you having to tell us to behave a bit better earlier. I think it is fair to say that it seems as though the Christmas spirit has taken the hearts of some Members, so this morning people were perhaps a little more boisterous than usual. But normally we are well behaved.

**The Speaker:** I will accept your apology Honourable Member. The Speaker has made a ruling. Can we go on with the business of the day? Thank you.

**Mr. Rolston M. Anglin:** Yes, Madam Speaker, that apology was on behalf of all Members of the House.

**The Speaker:** Thank you.

**Mr. Rolston M. Anglin:** Madam Speaker, let me begin by saying that in the era of openness and transparency it would seem as though the People's Progressive Movement (PPM) Administration would lead

us all to believe they created and began. I find it rather disappointing that we come to this critical juncture. We have just passed a budget and now we are taking a medium-term look at where we are going. Yet, I see a lot of fluff, a lot of numbers, a lot of tables, a lot of graphs and a lot of charts, but quite frankly I am not seeing what I need to be able to see as a Member of this Honourable House to be able to support a strategic policy statement!

Madam Speaker, the House is being told that the Government is intending to incur some \$245 million in borrowings over its term. The Government is also saying that it intends to raise taxes by some \$28 million over the financial years ended 2007 and 2008, yet we are not being told how the taxes are going to be raised. What is the projected impact on the economy and most importantly on our citizens?

Like the person in the mid-west in the United States who wakes up in the middle of winter and sees a great fog outside, I cannot see anything that suggests to me that this should be supported.

How can the House be asked to approve a strategic policy which has a cornerstone of raising revenue by \$28 million that does not have that detail worked out yet? You cannot tell us how we are going to raise the revenue. It is like the chief executive or the president of a board of directors going to his board with his budget and the projections for the next year saying, *'Oh, by the way, we have significant activity that is going to take place and we have not quite worked out the details yet, but I want you to vote on it today in the affirmative and agree that is the way we should move'*

Madam Speaker, in all mature countries that have some semblance of openness and transparency in government and in governance, this does not happen. We all know by watching the media and reading how it is suppose to operate. We cannot reasonably be expected to say yes. From a strategic standpoint we can look at this picture being painted and agree that we have \$28 million that we are going to raise by new revenue measures and the only hint we are being given is that it will not be for any continuing services, it has to be for new services.

The new services that are being touted are education, policing and roads. My guess is that school fees are going up, my logical guess is that they are going to have some sort of road tax, and my next guess is that they are going to have tax for policing. One would have to assume that, other than the specific tax on education and roads, the other area would not be one Government would seek to have any sort of tax tied directly to the service. So, how that is going to be funded is a complete mystery.

We have to decide where we are going from a strategic standpoint in a little more detail than this and to expect that I would be willing to support the new revenue measures that are going to come down the pipeline. As we understand it, the unofficial theme of this Strategic Policy Statement is continuing what

we have started. From the looks of it, it is indeed a continuation of the borrowing trend that was started with the Budget that was just passed.

At the end of the day there is always the fanciful argument that Government borrowing for needed infrastructure is an investment, so the public should support it; and the repayment over the life of the loan is going to match the use of the service—whatever it is, school or road. We have to decide what and how it is that we intend to achieve the goals at the end of the day.

The Honourable Third Official Member made the point that when governments have major capital investments of this nature, those capital investments can also have knock-on effects in the economy by attracting foreign investments. Certainly that argument would hold true when it comes to things like road infrastructure, because as you improve those types of infrastructure it opens new areas for development. Also it assists in the development that is already there. However, we know that a major part of the capital development that is being proposed by the Government is in the area of schools and policing.

If you look at Table 8 you will see that over the 2007 and 2008 year-ends the Chief Secretary, as Cabinet Member, is projected to have some \$18.6 million of executive investment allocations. The Minister of Education is expected to have some \$75.7 million. However the Minister of Infrastructure is proposing to have some \$14.6 million. We understand where the majority of borrowing is expected to be spent. Whilst there will be some indirect benefits that the spending in the area of the Chief Secretary and the Minister of Education would have on the area of foreign direct investment, certainly, the benefits that those would propose to bring are going to be much more in the line of domestic benefits. So my question is, why is it that the Government seems to have the mindset that unless it is borrowing money there is no other way to achieve the long-term goals (which is better schools, better policing and better roads)?

Surely the Government has to understand that at the end of this political term there is going to be a myriad of other needs that this country is going to have. The needs do not end here. Because this is the largest proposed borrowing in the history of the Cayman Islands does not mean it is going to cure all of our needs. We are still going to have needs. I have yet to hear what is going to happen with the dump! They talk about foreign direct investment and tourism, but what is going to happen with the dump? That is not a cheap ticket item.

What about the airport? We all know that on a crowded day they have to put on fans in the terminal because the air-conditioning system cannot sustain.

The picture I see is that the Government is saying that we are going to borrow, borrow, borrow, because we have all these needs that have to be filled, yet I do not hear other ways that we can achieve some of these goals.

Madam Speaker, when it comes to economic activity within a country, one thing that governments do not want to do is crowd out investment in areas that they could have private sector involvement because, typically, the private sector can do things and achieve goals much more efficiently and cheaper than governments can. I still do not see within this Strategic Policy Statement, this peek into the future and how we are going to get there or what we are going to do when we get there. I am not seeing where the Government seeks to not undertake every single thing by itself and everything that it undertakes has to be by way of direct borrowing. I cannot see how that is the prudent way forward.

When we look at the impact of the projected borrowings, the Third Official Member took great pains to point out that, given the performance projections in regard to revenue increases and the resulting surpluses, the ability to service this proposed new debt is prudent and manageable. However, in Table 5 (found on page 22 of this Strategic Policy Statement) we see, in regard to debt servicing, the year-ended 2007/8 complies with the performance target, which is 10 per cent of core government revenue. But we also see that they are projecting to have a minor non-compliance in the year ended 2009 where the debt service ratio will go to 10.2 per cent. In 2010 it is projected to remain at 10.1 per cent and in 2011 at 9.9 per cent. That is getting way out there into the future.

They are saying the only way for Government to achieve its goals is that Government has to borrow, borrow, borrow. That is leaving very little room for error. With their projections Government is already admitting that for two years they are going to be out of compliance and in the third year they are going to be .1 per cent within compliance. That clearly tells me that they are running a borderline situation at best when it comes to borrowing!

What happens when the unforeseen happens? We know that life does not go along this nice rosy path that is painted in this Strategic Policy Statement!

What happens when there is a negative effect in the United States economy that hits us directly and the revenue targets are not met?

What happens in the global economy and global sphere when there are unforeseen circumstances?

We know that terrorism is not going away. We know that it is only going to get worse because the more the United States fights the more the terrorists will fight back. We know that as those occurrences continue, the potential for negative impact on the Cayman Islands economy is ever present. We clearly understand from these projections the Government has produced that with this level of borrowing, where the only way we see to solve a problem is going out . . . and if Government itself is not hoarding all of the economic activity in these spheres and doing it all themselves, borrowing and taxing then it

cannot be achieved. I do not believe that is something that we should perpetuate.

I think Government needs to look carefully at activities where they can have private sector participation! Every government in the world is doing that—except this Government. This is probably one of the only governments within this side of the world that sees itself as the be-all and end-all, and it has to do it because if government is not borrowing the money then it cannot be done.

Let us look at another factor. As much as they rant and rave and pound their chests they know, as well as we on this side and the listening public know, that Government is the most inefficient creator! When we are building a road there are four men looking on while one is shovelling. We know if it was our company that we would not allow it to be run that way. So why is it that this Government has taken the view that they are simply going to crowd out creativity? They take creativity, crush it, and throw it in the garbage bin. We do not want creativity from the private sector—no private sector participation when it comes to Central Government and its projects!

Madam Speaker, just after the election one of the ministers said that this was not going to be an exciting Government. I was not sure what he meant at the time, but I clearly understand now. At the end of the day, winning at the polls and doing good public relations does not mean that the country is going to be better off. I have seen successive governments in this country renounced by the public after two terms. Why? Because they painted rosy pictures without tackling the real issues and dealing more efficiently and effectively—and in areas where government can. How many times have you heard, *'in areas where Government can, why not try to adopt principles that are more like the private sector?'* We know that Government cannot be the private sector because the Government is the check in the society. Ultimately, Government has to be the conscience in the society, but where Government can derive those benefits, why not do it?

I received an invitation from the Honourable Leader of Government Business where he is announcing the economic forums. I would suggest to him that the topic of his first forum on Grand Cayman be public/private sector participation. Invite members of the private sector to say how it is they believe they can assist in the building of this country. There are meaningful ways that they can assist in building this country and getting certain services out to the country efficiently without government having to run this self-admitted fine line that they are ruining when it comes to debt!

If the Leader of Government Business believes that he is going to be able to explain away the fact that from the year ended 2007 straight through the year ended 2012—these are his government's projections and they came from his Cabinet—they are running debt service ratios above 9 per cent, then say



it is easily explained away . . . I am waiting for the explanation! If he gives it I am going to be speechless.

Madam Speaker, if he achieves that I am going to nominate him for the highest award that you can get in this country. He can rest assured that I will go to my dying bed trying to make sure that he gets whatever that highest award is. I say all of that to say that I am confident it cannot be explained! It cannot be.

Mention was made that the new targets on page 26, Table 6 . . . the Honourable Third Official Member made the point that all the items in red are targets, and there is a great new approach to targets because we are using the rolling approach where we are building on the prior year. Madam Speaker, a fresh look is always necessary because what usually gets rolled to the middle is all the junk that you do not need. But the more you roll, the deeper it gets, and the more it is hidden. I suggest that you need to continually have a fresh look to make sure that the financial targets are incorporating the greatest deficiencies that you can possibly achieve. You cannot throw out experience. You cannot throw out the prior year. The prior year has to be the foundation. But we must make sure that we are continuing to build and try to become more efficient.

When I look at Table 4 (on page 19 of this Strategic Policy Statement), I see that operating expenditure is going to increase a healthy 11 per cent between the 2006 and the 2008 year end. It is going up approximately \$40 million. The best explanation I have heard thus far is that is because of new services and we are building more and it is going to cost more. The picture that I am left with is that we are going to build more, borrow more, tax more—it is going to cost more, we are going to pay more. How much *more* can the poor people of this country take? This is a lot of *more*, and too much *more* has to be bad.

Madam Speaker, I suggest that the Government needs to take a closer look at where we are heading and, unlike oppositions in the past, we try our best to put forward suggestions to the Government. We are not the type of Opposition that is going to be so selfish that we are going to say, *'Well, here are the criticisms'* offer no solutions and say, *'When we are the Government we will implement those secret solutions we have come up with.'* The country has had too much of that in the past.

We certainly shall see how it is the average man on the street of this country is going to deal with the continuation of what has been started.

We hear about revenue projections and the revenue registers, and we hear all sorts of information coming forth in regard to how it is we are coming up with the statistical information. The House also needs to have an update in this area because a few months ago, in my opinion, we still had a very weak capability in this area. For example, when revenue was being projected by Customs and we were looking at duty on

automobiles, no one knew how many automobiles within each bracket of taxation made up that total. It was not known and the capacity was not there to give us that sort of basic information.

I remember the 2002 Budget when we were looking at fees in the financial services area. For us to get the information we had to go on the internet and make calls ourselves to other jurisdictions to find out what they were charging for certain categories of bank, captive insurance and mutual funds licences. The capacity was not within the Finance Department! We are being asked to approve and support a Strategic Policy Statement, a key component, which is the revenue that is going to allow the repayment of more borrowing.

How are those revenue projections compiled? Where is the detailed information?

Is Cabinet able to ask the Honourable Third Official Member for detailed analysis that shows how those numbers are made up?

Are they able to do proper risk analysis and say what you do if you do not have 200 automobiles, \$50,000 and more, imported? What impact is that going to have on the Budget?

How are we going to work around and be able to make it up in other areas?

To the best of my knowledge we do not have that type of capacity, and that is the type of capacity you need to be able to accurately monitor your economy and manage the resources. We need to make sure that we know where we are heading. I cannot agree to borrow these amounts of money without hearing that Government has closely examined and this is the only way.

Even after that, how realistic are the projections? We see rudimentary assumptions—revenue grows by 2.5 per cent per annum, operating expenditure grows by 2 per cent per annum. During these projected periods, no external shock to the Cayman economy is one of the assumptions which is the point I was just speaking about—external shocks.

Madam Speaker, we just passed the new Human Resource Law and I am yet to hear from the Government what the cost of implementing that Law will be. We know by looking in the newspapers what chief financial officers and deputy chief financial officers are paid by the Cayman Islands Government. We also know that the Public Management and Finance Law had a great cost impact on Government.

What is the cost impact going to be of that new Law? Is it included in this 2 per cent? No one has said it. I suspect if it was, that would have already been said. So let us make the assumption that it has not been looked at.

I would have thought, in looking at this Strategic Policy Statement, that some mention would have been made of that and what the impact would be. The truth is that if there is political will you could have savings in some of those areas. Again, some of that would also take public/private participation and

collaboration. There are certain services in this country that are privatised in other countries, and there are benefits to be had by privatisation. But the country was told that we are not going to have an exciting Government—so said, so delivered.

Madam Speaker, when we look at what has happened within the region and even in certain European countries who have taken the view that you should be more socialist in your agenda and you do not facilitate the nurturing and growth of private participation and enterprise even within some of the very carefully selected spheres of Government, we see those countries go down the road of taxing and borrowing. Where do they get?

This country and economy were not built on those principles; we were built on opposite principles. We were built on the principles of free enterprise in economic development.

**The Speaker:** Honourable Member, is this a convenient point to take the luncheon break or are you going to finish shortly?

**Mr. Rolston M. Anglin:** I will finish shortly.

**The Speaker:** Please continue.

**Mr. Rolston M. Anglin:** Madam Speaker, when we look at Table 3 – Unemployment, we see that the Government is projecting unemployment to slightly rise in the 2006 year end, fall slightly in the 2007/2008 year end, and remain constant at around 4.4 per cent. What or who is it that makes up these numbers and what is going to be done to try to bring those numbers down even further?

Madam Speaker, are those persons who are unemployable included in those numbers? Every country has persons who have mental and physical disabilities that cause them not to be able to work so they are categorised as unemployable. It is always wise to clearly differentiate so that we know the true unemployment rate of those persons who are able and willing to work.

We see a projection of unemployment going from 4.5 per cent in the 2005 year end (which is the year that just ended 30 June 2005); but it is projected to go slightly higher to 4.6 per cent. As I recall, poor relief vouchers in the five-year Budget have decreased. I am not sure how it is that those persons who might be caught up in that percentage are going to manage if they find themselves in that unlikely scenario. I hope that this projection winds up being one that does not come to fruition.

Employment and human resource development is another area in this country that needs greater attention. Again, from the Government standpoint, there are going to be some costs attached. Until Government can satisfy itself as to the state of its people how can it truly say that we are building for those people?

There is a mantra in this country that has been around—the bigger the economy grows, that is, the bigger the Cayman pie gets, the more comes out. It is a very dangerous mantra when you hear some people ask “*who are we developing for,*” employment is one of the key drivers to people asking that question. If an able bodied man or woman has a job and is able to get out there and make a living and contribute, that question is answered for them because the answer is then “me.” But if you are unemployed, that question will be in your mind. So we see the projections for the workforce growing to record heights of over 30,000 in the 2009 year end. We need to clearly understand and we need to take the approach that no able bodied Caymanian will be left behind in this economic miracle that we have enjoyed in these Cayman Islands.

Madam Speaker, a bit earlier the Minister of Education made the point that the Leader of the Opposition should support the Strategic Policy Statement. I would say that we have seen enough to cause us to not be in a position to support this Strategic Policy Statement. What I think should be admitted is that the state of the economy this Government inherited . . . they should thank the Honourable Leader of the Opposition for the hard work that was put into getting this country back on its feet and to where it is. There was much criticism—he travelled too much, he did this too much, he did that too much. But at the end of the day we did not get to where we are today without hard work!

I think some of them that used to say that travel more now than the Leader of the Opposition ever dreamt of travelling, I think they all understand—

**The Speaker:** We are not debating travelling of Members. Please go back to the issue before the House, Honourable Second Elected Member from west.

**Mr. Rolston M. Anglin:** At the end of the day this Government inherited a strong economy.

**Hon. W. McKeever Bush:** Right!

**Mr. Rolston M. Anglin:** Just look at the projects, look at the redevelopment on Seven Mile Beach Road.

My understanding is that if some of the current members of the Planning Board that this Government has put there were members of the Planning Board, and had anything to do with it at the time, none of this would have happened!

No seven stories! It is a bad thing, they said!

What was a bad thing was that we got to a point in this country where because of a lack of foresight and planning over many decades the most precious development jewel we had basically been used up in ways that some people do not agree with, and

used up to the point that it was rendered unusable because of pricing—if changes had not been made.

You cannot create more land, so the only way forward was to go up higher. We see the benefit now as old developments continue to get torn down for redevelopment. We are told—and we know, because we can look at the economy and we can look at the basic business plan and understand—that unless you could create bigger and more prestigious units those properties would not have been redeveloped.

When we look at the Ritz . . . I remember just before I went to New York in 1997, oh, what a terrible thing that project was. But look at what it is today (and I will tie it back to the Strategic Policy Statement) because I know for a fact that the Ritz provides substantial revenue injections. I know that the Government understands the type of clientele that the project is going to bring. Not only are there going to be additional tourists, but the Government also understands how those types of people themselves spend and invest and how much stronger that can make the Cayman economy.

Madam Speaker, the day I hear this Government get up, as we have time and time again, and tout foreign direct investment and made sure that people are educated in that area and know that that is something this country and every successful economy needs . . . but they do not do that.

Arguments of convenience. It was bad before, but let us enjoy the benefits now—all that the prior administration was crucified over, let us enjoy the benefits. I do not hear anyone saying now that the development on the eastern side of the Island, the Mandarin, is a bad thing. Now it is the best thing since sliced bread, toasters and microwave ovens!

**The Speaker:** Honourable Member, it seems as though you are going on to another point so proceedings will be suspended until 2.30 pm.

**Proceedings suspended at 1.04 pm**

**Proceedings resumed at 2.20 pm**

**The Speaker:** Please be seated.

Proceedings are resumed. Debate continues on Government Motion No. 7/05.

The Second Elected Member from West Bay continuing his debate.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker. As promised before the break, I was about to wind up.

I would just like to reiterate broad terms of our great concern. We have before us a picture that tells us that the country has great needs infrastructure wise, and none of us disagree with that fact. How we go about filling those needs is where our paths go in very different directions.

I can remember a year or two ago when the cry was that government was looking too much to-

ward the private sector to deal with what others felt was a core government issue. In the public domain there was a lot of propaganda suggesting that if government was involved with the private sector in trying to come up with creative and cost effective solutions for challenges they felt the country and, by extension, the government faced, that once you had that type of interaction there must be something wrong. Surely now that there is the advent of openness, transparency and trustworthiness in government, that sort of concern would no longer exist.

I would have to believe that it would be worthy for this Government to look at private/public partnerships and joint ventures that could potentially assist the Government in finding solutions to some of our needs without compromising the integrity of Government; ensuring the protection of the public and the public interests, but at the same time getting access to greater efficiencies and access to cheaper money than the rates, amounts and terms that Government could otherwise procure for itself.

I think Table 6 spoke volumes for members of the Opposition when we look at the fiscal ratios and when we see how dangerously close this country is going to tread for half a decade when it comes to what has been established as the prudent measure of borrowing, which is the borrowing ratio. Significant shifts in the way in which the Government versus the Opposition sees and believes that Government can make the best use of its resources and come up with the best solutions for the country as a whole when it comes to satisfying our great infrastructure needs.

We also understand that there are inevitably going to be increases, and we already see in the Strategic Policy Statement an admission of the increased operating costs of Government. Some of them, we will admit, are unavoidable. The pay increase for civil servants is long overdue and is something the country has the ability to now afford, so it is deserving.

I had an interesting scenario painted to me and I asked the question here. The scenario was that some persons who are paid from the public purse will be getting more than the 4.8 per cent. The question was asked of me as to why there would be any differences. I did not have an answer as to why there would be differences within categories of persons. I think that is a point that should be clarified because it could have negative impact on certain civil servants if there is a feeling that certain persons within their category are getting a greater percentage than they are. This may not be the case, but it is something that I have heard from a reasonably good source.

How the Government is going to ensure that it has access to and produces information that is more meaningful and that allows it to more accurately foresee and predict the future in terms of revenue is critical in this country. We need to build up our capacity in that area. I am not saying that we need more people, but we certainly need to have that as a central focus. It is good to have the tools, like the Public

Management and Finance Law, which forces us to come to the Legislative Assembly and talk in broad terms about what it is that Government is going to do in the next financial year. I still have great concerns about the input of information that goes into the Strategic Policy Statement.

Madam Speaker, most importantly, I believe that if there are substantial revenue measures it is only fair that the House be told that we know where we are going. How can any Member of this House say that they support it if when the Budget is about to be passed and is being presented they see those revenue measures and say, *'No, I do not agree with it'*. You would agree the broad terms with the Government and say yes, bring them, but not know what they are and not be able to agree with it at that time. In my mind that does not add up logically as to the way in which we believe we should cast our vote and support.

I believe we have a fiscal strategy that is not sustainable; it is too close to the lines of fiscal responsibility in terms of the level of borrowing to be able to say, *'yes we agree with the position as is outlined.'*

Madam Speaker, like all Honourable Members of the Opposition I look forward to the reply because we have been promised that we will be enlightened. I would certainly hope that is the case. I believe that when the public looks at this and thinks this through logically they would have to come to the same conclusion that the Opposition has come—this is just too close and we should not go down this road in regard to the years ended 2007 through 2012.

Madam Speaker, I thank you and all Honourable Members for listening to my debate I also thank you for the opportunity to offer my few, brief comments on this very important Government Motion.

**The Speaker:** Dose any other Member wish to speak? Dose any other Member wish to speak? If no other Member wishes to speak, does the Honourable Leader of Government Business wish to exercise his right of reply?

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker.

"Few" may have been the substance and the content of the contribution of the Second Elected Member for West Bay—but it was not "brief"! Not, like the song says, *"with pen in hand"* but, rather, *"with tongue in cheek,"* he spoke as he practiced his oratorical skills to make a serious attempt at discrediting the Strategic Policy Statement delivered by the Government.

Madam Speaker, I was where he is right now for quite some time. As I listened to him, I understood exactly what was going on in his mind and where he was headed, what his attempt was, and where he thought the focus should be. So, from that regard, I have to say that I understand. But, like him, I have my job to do, so let us begin.

First of all, it seems (especially from the delivery of the Second Elected Member for West Bay) that the Opposition might not quite understand what the Strategic Policy Statement entails and the purpose of the exercise of delivering it.

Madam Speaker, with your permission I will quote from the Public Management and Finance Law so that we understand what today is about. Section 18 of that Law states: **18. During the strategic phase, the Governor in Cabinet shall-**

- (a) **determine for the next financial year and the following two financial years-**
  - (i) **its broad outcome objectives;**
  - (ii) **its specific outcome objectives;**
  - (iii) **the forecast total amount of executive revenue and expenses for each financial year;**
  - (iv) **the forecast amount of executive expenses for each ministry and portfolio for each financial year;**
  - (v) **the forecast total amount of equity investments, acquisition of other executive assets, and loans for each financial year; and**
  - (vi) **the forecast total amount of entire public sector revenue, expenses, borrowing and net worth; and**
- (b) **prepare a strategic policy statement in accordance with section 23 incorporating the information determined under paragraph (a)."**

Section 23 reads: **"23 - 2) The strategic policy statement shall include-**

- (a) **a summary of the broad outcomes, the specific outcomes, and the links between them, that the Governor in Cabinet intends to achieve in the next financial year and for at least the following two financial years;**
- (b) **economic forecasts for that financial year and for the next two financial years, which shall contain the information set out in the First Schedule;**
- (c) **the date on which the economic forecasts referred to in paragraph (b) were made;**
- (d) **a total financial target for the entire public sector for the next financial year and for each of the following two financial years, for each of-**
- (e) **operating revenue;**
  - (i) **operating expenses;**
  - (ii) **surplus or deficit, being the difference between total operating revenue and total operating expenses;**
  - (iii) **borrowings;**
  - (iv) **net worth; and**
  - (v) **net cash flows for each of its op-**

- erating, investing and financing activities;**
- (f) an explanation of how the financial targets referred to in paragraph (d) accord with the principles of responsible financial management set out in section 14(3) and, if those targets depart from those principles, the information required by section 14(4);**
  - (g) the total amount of executive expenses for each financial year;**
  - (h) the approximate amount of executive expenses of each ministry and portfolio for each financial year; and**
  - (i) the total amount of equity investments, acquisition of other executive assets, and loans for each financial year.”**

Madam Speaker, today is 30 November 2005, this Strategic Policy Statement is the beginning of the Budget phase for the 2006/7 Budget, which by law should be presented to this honourable Legislative Assembly by 1 May 2006, the financial year beginning on 1 July 2006.

When the Second Elected Member for West Bay (more so than his colleague, the Leader of the Opposition) put forth arguments regarding the “broad policy statement” that has been delivered, and began to get into the specifics, all he was doing was taking opportunity to try to get two bites at debating the Budget. We do not have a budget yet. They well know that.

The Second Elected Member for West Bay especially . . . I can understand myself and the Leader of the Opposition, because we are lay persons. It is unforgivable to think that he does not know. But as he has spent his time, he has obviously spent it well. In the six months that have elapsed since the General Election where he took on the role of the Opposition and now starts to pontificate and preach of what should be done . . . never mind the time that he was part of a government—only six months ago—what miracles does he expect?

Here we are looking at what they did not do and putting forward a medium-to-long-term plan to accomplish those things and he is telling us it is with too much ambition, because we have the desire and have also put forward the methodology by which it will be achieved.

Madam Speaker, let me speak to a few specific issues raised by the Opposition when they tried to bring their arguments which were mainly geared to confuse the minds of the public and to try to indoctrinate the public into a mode that this Government has come in with a view to do what the Leader of the Opposition said, tax borrow and spend—that was his slant.

Then the Second Elected Member for West Bay came in with his supposed facts and figures, and questions, to try to tell the public that they know what it is all about and we are just coming in here now to tax,

borrow and spend.

What is proposed works simply like this (and I will explain). They have said that when we put forth all of our projections . . . and I know that the Second Elected Member for West Bay, after listening to the Honourable Third Official Member, quite understands how all of those projections were arrived at. I notice that he clung to this 10 per cent (and I am going to deal with that)—but he never for one second in his arguments tried to question the methodology used. He just grabbed on to the 10 per cent. So it is fair for us to assume that he agrees with the way the document was prepared and that it is sound in its logic of preparation.

Having passed that part of it, he grabs on to this 10 per cent, like if we walk over that we are walking over a precipice! He knows full well that is not how this works! Up until this point we have been able, through various governments, to operate somewhere between 6 (point something) per cent to 8 (point something) per cent on most occasions. It has fluctuated.

If we had come here and said that it would be 10 per cent, in accounting language we would not be telling the truth, because as a rounded figure 10 per cent is what it was. When we worked it out it was 10.2 per cent, so we said we would say that it was 10.2 per cent. Otherwise, his line would have been different and he would have been saying that we were on the borderline. The mere fact that we told exactly what it was he puts it as though we are falling over a precipice. That is the way he wants people to believe it is—and nothing could be further from the truth.

Madam Speaker, the projections are very conservatively based. In fact, it is based a little lower than all of the trends indicate when it comes to economic expansion, et cetera. So, if it was simply a matter of satisfying those figures, we could have stayed with those projections, been right with it, and under the 10 per cent. But no, the entire thing was conservatively done and nobody figured to do anything different to “fix” anything. And I know he goes to church. Because of the truth the good Lord was crucified, so it is nothing new. But what is not going to happen with this one is that they are going to have their say and that will be the end of the story—not today!

His argument about this 10 per cent and us falling over the precipice is very similar to losing a quarter out of your pocket and putting ads in the newspaper that cost hundreds of dollars offering a thousand dollar reward for the quarter. That is the kind of argument he brings. Let the public understand that this 10 per cent ratio that we speak to is part of a law that we accept as the best guideline to follow for responsible fiscal management.

Now, let us speak to two separate issues that I wish to address so that we all have a clear picture.

First of all, there was an initial attempt to say that over the four-year term we were borrowing \$300 million. We finally got to the truth of that because I do not know who plucked \$55 more million out of the sky

to add it on. Then, when it was finally looked at, it was seen that it was with another two years projections into it. For the term what is projected is that \$245 million will be borrowed over the four-year period.

Madam Speaker, if one were with a desire to twist and turn figures let me show you how life would work in the opposite. If we look from November 2001 until May 2005, the total authorised borrowing of the previous government was \$281 million.

**Hon. W. McKeeva Bush:** No!

**Hon. D. Kurt Tibbetts:** But I am not going to bend this out of shape, I just use it as an example. I will explain, Madam Speaker. As I said, I am using this as an example.

**Hon. W. McKeeva Bush:** Yeah?

**Hon. D. Kurt Tibbetts:** When you add all of those figures up, it is \$281 million. Out of that, \$136 million was for the so-called bond issue, albeit \$23 million out of that was taken, not to pay off loans. Instead of not borrowing it, they borrowed it and put the majority of it into general reserves.

Then, for the fiscal year 2004/5 there was legislative authorisation to borrow \$62 million, of which, by the year end, only \$15 million was drawn down.

If we simply said \$281 million and left it like that, that is the kind of picture it could create. I just want to get the picture clear so that everybody knows that if you want to take a line of argument you can lean that way and show it as you wish.

The reality of the situation . . . what I want to show with our projections is simply this: With every best indicator that we have and with every piece of historical data that we have, the line of argument that the Second Elected Member for West Bay tried to put forth about the Government's inability to make accurate revenue projections is based on no fact whatsoever. He used some examples to say what information the Government did not have at the time or did not have access to at the time. The proof of that pudding cannot be based on what he is saying Government did not have access to. All he has to do is check the history. Just go back three or four years. I would not go back ten years because he was not here, but I was here and I know how it used to be done then—and that is when it was really bad. But if we go back three or four years and check the history, the truth is, even with the year that Hurricane Ivan came (because while there was one disaster, on the other side of the coin there was also increased opportunity by the rebuilding process) the Government's revenue projections were surpassed by the actual figures.

I want the Second Elected Member for West Bay to know that no one here has changed the way they arrive at it. So, historically, it is fair to say that the projections that are in the SPS are conservative rather than false expectations, which is what his line of ar-

gument tried to inculcate in the minds of anyone who would listen to him. Just let the record be straight on that.

What really shocked me is that he fully understands that that is not an exercise dealt with by the elected Government—and he still chose to go down the road he knows that he has had to depend on in that regard for as long as he has been here, whether he sat where he is now or whether he sat on this side. And he is going to have to depend on them again, even while he is over there as long as he is elected!

Madam Speaker, let it not be said that what has been put forth should be torn apart or dismembered, or shown for falsehood in the way these figures have been put together. The Second Elected Member for West Bay knows how it is done, generally speaking; and if he checks history he will see that the revenue projections have been more than conservative and it is fair to expect that these projections will be in the same vein.

He put forward scenarios about things that we cannot plan for. We all know that can happen to us individually, collectively, or nationally! The only way you can do that is when specific situations like Hurricane Ivan occur and you learn from those lessons and plan for the possibility of it in the future by dealing with disaster preparation. In other instances you cannot plan a sheltered life where you do nothing because something *might* happen. We may as well all hibernate for the winter and let it last forever.

As I keep hearing his line of arguments, honestly, I had to smile to myself and wonder if I ever went that far when I was there.

**An Hon. Member:** Oh yeah!

**Hon. D. Kurt Tibbetts:** I choose not to try to make that decision right now. I will think about that another time! Right now the job at hand is not just to defend a cause but to clear the air.

I want to say what this country can look forward to with the Government's projections in the Strategic Policy Statement. Let me be specific with some of them. For several years now it has been accepted, almost universally, that central government needed proper office accommodation—long before the demise of the Tower Building. It has been projected that to do a proper fixed job on the Government Administration Building (Glass House as we know it) is going to be more costly than to simply forget about it and build something else.

Every year, for several years now, we have seen the amount that Government pays out in annual leases continually increase. What attention is not paid to is every time we have a government office having to relocate into some privately leased premises, everything being rented these days is a shell and the fit out prices are astronomical.

**An Hon. Member:** True!

**Hon. D. Kurt Tibbetts:** There is nothing you can do about it. And when you move in and pay the fit out prices then move away you carry nothing with you. So in effect, if the bleed continues, you almost have to consider those costs as lease payments. From a dollar point of view that is the net affect.

It is not unfair to say, if we continue in the same vein, that within two years from now we will be paying in excess of \$8 million a year for leased premises and outfitting. I heard someone say “more”, I remind them that I am very conservative in my line of argument. I am not going to exaggerate or even go close to what I think is real.

Madam Speaker, someone please tell me, if we will be paying close to \$8 million a year, minimum, what sense does it make for us to remain in this holding pattern?

When we speak to government office accommodations, we have put a package together which includes the actual dedicated government office accommodations, and we have also included in that package a complex which is desperately needed in the district of Bodden Town. It is going to be a police station, a fire station, it will house an emergency management services and the plan is for us to also have 911 housed on that compound. 911 does not need to be in any specific location. As soon as we can easily decentralise we will do so.

This is not about throwing money in the air to grab; we know what we are doing and where we are going. The Opposition can do as they wish, as I expect them to, but this is not ill-thought out.

We know that for years the Courts building has been the subject of continual reviews, if they are not in the Town Hall they are in other leased premises. They themselves are paying some quarter of a million dollars per year for leased premises now that are totally inadequate—outside of the Courts building itself.

It is not that we have not looked at what the cost benefits are. Madam Speaker, we do not need to look at increased revenue for those buildings I mentioned, because what we are paying in leases and fit out charges now will more than satisfy that part of loan payment. The borrowings are staggered. Let me just say that while the plans are there, should anything major happen, then all of us will have to get together and adjust.

**An Hon. Member:** Not so!

**Hon. D. Kurt Tibbetts:** No so?

You know that’s so. When Hurricane Ivan came . . . all of us—including you, because you will be part of it too, if you’re here like us.

*[Interjection and Laughter]*

**Hon. D. Kurt Tibbetts:** Madam Speaker, in all sincerity one cannot bring a line of argument of supposition when you speak to national issues such as this to try

and discredit the way that this Government is headed.

By the way, I forgot to mention that we are also speaking of a high school in your district, a high school in the district of the Second Elected Member for West Bay—the pontificator of the day—and the rebuilding of John Gray High School. Because of the need for border control, we have included in those projections just shy of \$50 million for the Police both in capital expenditure and recurrent.

So, Madam Speaker, everybody should be praying to God that we can get all of this done because we need to get it done, eh?

Throughout those plans, when we speak to over that entire period a projected revenue enhancement exercise of a total of \$28 million, that, in itself, is just about half of the last package of November 2001. That is what that is.

I quite remember their job. That package was \$54 million total; this one is \$28 million. And I am not really making any comparisons. All I am saying is that when we speak to that period of time (\$28 million) that is not a major exercise when we look through the spectrum. What has to happen for it to work is that we cannot stagger it \$7 million over four years because the revenue will not be realised. That is why we have to do the majority of it in the next coming year and only \$3 million the following year, and then—

*[Interjection by the Leader of the Opposition]*

**Hon. D. Kurt Tibbetts:** Everything that has been said to cast doubts about the package . . . when you compare apples with apples, it is quite ordinary. It is because of the manner in which we have dealt with this exercise that people are able to use the cumulative figures and they all sound like, my lord, what is this? Precedent. Unheard of.

Madam Speaker, when the Leader of the Opposition spoke he painted a picture of the necessity of luring (if I may use that word) foreign investment to keep development going, to keep the economy going, to keep jobs and revenue going for the Government going. His very erstwhile colleague, the Second Elected Member for West Bay, actually helped our argument by admitting very clearly that what is proposed should actually assist in attracting development—which he and I both know is quite right to say.

I do not want anybody to get the impression that this Government is antidevelopment. The key operative word for us is “sustainable”—the same word that the Second Elected Member for West Bay tried to say that we do not understand. He put forward some falsehood to try to depict that what we have projected is not sustainable. Lest I be misunderstood, let me put it this way: his line of argument was well engineered to suit his purposes, but it was very skewed.

Let us clear away any thoughts about us being antidevelopment. There has to be a balance and today is not the right day to go into all of that. When we will deal with the Budget, we will deal with all of that. The

most important part of it is when the Second Elected Member for West Bay got up and spoke to how unfair it is of us to bring the Strategic Policy Statement and to expect some support from the Opposition without having *all* of the information in front of them to decide. That is why this is called the Strategic Policy Statement.

The first Strategic Policy Statement, which should have been delivered by 1 December 2003, was not delivered until 17 March 2004. The next one, albeit Hurricane Ivan, was delivered only three months ago. This, Madam Speaker, is the first time it is being delivered on time, and that is the shock!

*[Inaudible interjections]*

**Hon. D. Kurt Tibbetts:** They forgot that there are six months between now and the Budget, and that this is just the beginning of the process!

They are trying to pretend that all of the information contained in the Annual Plan and Estimates should be in this document, by saying how disappointed they are. That is a fact!

*[Inaudible interjections]*

**Hon. D. Kurt Tibbetts:** This Strategic Policy Statement is (in laymen's terms) a generalisation. It tells the overview of what we can expect when come Budget time. For those who might have difficulty grasping the whole thing, what happens between now and then during the next six months is, we have tied down expenditure and projected revenue as best we can. Therefore, portfolios, ministries, and departments will now go in with their global figures understanding the outputs that have to be achieved and decide how to divide up that global figure to achieve those outputs by costing what those achievements have to be. If the figures are not gelling then they have to create efficiencies. That is the purpose of the exercise, and it is just now getting some semblance of where it should be.

So when the Second Elected Member for West Bay speaks about efficiencies, he has no idea how much in the fore of the Government's mind it is. I want to say that to him very truthfully. Madam Speaker, like most other things, even when babies are born, time will tell and we will know what they look like.

When we go through this exercise now, the register that they make such a big issue of . . . and I hear that it cannot be done and all this kind of talk . . . Madam Speaker, we are going to be very careful. It is for that reason the exercise has the sequence that it does. We do not want to sit down for two days or for two weeks to decide how best to achieve these revenue gains; we want to do it from a totally informed position and be able to make the best judgment calls.

Contrary to what the Second Elected Member for West Bay said, we are already engaging with the private sector! One of them spoke of the forum in Cayman Brac, but did not mention that it is a pub-

lic/private partnership right there!

**Hon. W. McKeeva Bush:** We knew that!

**Hon. D. Kurt Tibbetts:** But you chose not mention it because it did not suit your line of argument!

**Hon. W. McKeeva Bush:** I didn't say anything about it.

*[Inaudible interjections]*

**Hon. D. Kurt Tibbetts:** Madam Speaker, the point is . . . somebody just reminded me about PFI. I was going to finish, but I will go into that.

*[Inaudible interjections]*

**The Speaker:** Please give The Leader of Government Business an opportunity to do his reply so I can hear what he is saying in case someone gets up on a point of order I would be able to rule. Thanks, honourable Members.

**Hon. D. Kurt Tibbetts:** Yes, Madam Speaker, I wanted to make this point, because it seems like the Second Elected Member for West Bay was making a genuine attempt to try to make it sound that this Government totally forgets that the private sector exists and that there are avenues through the private sector that could assist us in achieving our objectives. I just wish to say to him that nothing could be further from the truth.

The only difference we might find is that we are not making huge big announcements about these great plans that never come to being. I only want to allay the fears the Second Elected Member for West Bay may have about our ability to engage with the private sector.

Madam Speaker, I wanted to say that when we speak to the medium-term projections and this figure of \$245 million of borrowings floated about, and we speak of government buildings and other things, all of those projections are based on orthodox borrowing. I am not afraid to tell this Legislative Assembly that we are confident, we have set those borrowings at 5.5 per cent, making sure that we are safe, but at this point in time we are confident that over the staged period borrowings can be had fixed at a lesser interest rate than 5.5 per cent. Again, I did not say that in the SPS because there was no need to do so, and it was generalisations. As they get into their specifics, sometimes we have to let them know a few things so that they do not go on and on about it.

Madam Speaker, when they talk about pure borrowings for all of these things to happen, I just wish for the Second Elected Member for West Bay, especially, to know and understand that, while over that period the projected borrowing is \$245 million, projected out of all of what is put in there is that the Gov-



ernment—from its cash generated—will be having an input of \$114 million. So, it is just a little difference between 2 to 1, which is good going, Madam Speaker.

Of course, the Second Elected Member for West Bay would have you believe that we are going to borrow \$245 million, spend it all, and get \$245 million worth of buildings or whatever else, when, in fact, the borrowings are \$245 million, the cash injection is \$114 million, and the end of day value is way in excess of \$450 million as Government assets that will help to serve the people of this country—no Ivory Towers! The schools are needed, the fire station is needed, the police station is needed, the government buildings are needed.

**Hon. W. McKeeva Bush:** Yeah!

**Hon. D. Kurt Tibbetts:** So, without going into any more detail (because I really do not want to catch my practice yet on the budget debate), suffice it to say that the line of argument brought by the Opposition, and especially from the Second Elected Member for West Bay, has been proven to be one that is in line with the role of the Opposition—futile in its merit . . .

**Hon. W. McKeeva Bush:** Oh?

**Hon. D. Kurt Tibbetts:** . . . and certainly, Madam Speaker, not very convincing.  
Thank you very much.

**The Speaker:** That concludes debate on Government Motion No. 7/05.

The question is: “**BE IT NOW THEREFORE RESOLVED THAT the Legislative Assembly approves the policy priorities, aggregate financial targets and financial allocations set out in the 2006/7 Strategic Policy Statement as the indicative parameters on which the 2006/7 Budget is to be formulated.**”

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

**Ayes and one audible abstention** (by *Hon. W. McKeeva Bush*)

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

Honourable Leader of the Opposition are you asking for a division?

**Hon. W. McKeeva Bush:** I am sure asking for a division, Madam Speaker.

**The Clerk:**

**Division No. 5/05**

**Ayes: 10**

Hon. D. Kurt Tibbetts  
Hon. Anthony S. Eden  
Hon. Charles E. Clifford  
Hon. George A. McCarthy  
Hon. Samuel W. Bulgin

**Noes: 0**

Hon. G. Kenneth Jefferson  
Ms. Lucille D. Seymour  
Mr. W. Alfonso Wright  
Mr. Osbourne V. Bodden  
Mr. Moses I. Kirkconnell

**Abstentions: 5**

Hon. W. McKeeva Bush  
Mr. Rolston M. Anglin  
Mr. Cline A. Glidden, Jr.  
Capt. A. Eugene Ebanks  
Mrs. Juliana Y. O'Connor-Connolly

**The Speaker:** The result of the Division: 10 Ayes, 5 Abstentions. Government Motion No. 7/05 is passed.

**Agreed by majority: Government Motion No. 7/05 passed.**

**The Speaker:** I call on the Honourable Third Official Member.

**Government Motion No. 8/05**

**Extension of Date for Quarterly and Annual Reporting for the 2004/5 Financial Year**

**Hon. G. Kenneth Jefferson:** Thank you Madam Speaker.

I beg to move Government Motion No. 8/05, captioned, Extension of Date for Quarterly and Annual Reporting for the 2004/5 Financial Year. It further reads:

**WHEREAS the Cayman Islands was struck by Hurricane Ivan on September 11 – 12, 2004;**

**AND WHEREAS the impact of the hurricane required that two additional supplementary budgets for the 2004/5 financial year be prepared between September 2004 and June 2005;**

**AND WHEREAS the delayed General Election resulting from the hurricane meant that the budget process for the 2005/6 financial year was delayed until the June to October 2005 period;**

**AND WHEREAS the two additional supplementary budgets and the delayed budget process made it impractical for the Governor in Cabinet, ministries and portfolios, and statutory authorities and Government companies to prepare quarterly, half-yearly and annual reports for the 2004/5 financial year in accordance with the timelines required by sections 28, 29, 43, 44, 51 and 52 of the Public Management and Finance Law (2005 Revision) (hereafter “the Law”);**

**AND WHEREAS where an exceptional circumstance has occurred, section 13(3) of the Law authorizes the Legislative Assembly, by way of resolution passed during or following a state of emergency or exceptional circumstance, to extend the date by which:**

- (i) a Government quarterly report is required to be gazetted under section 28 of the Law;
- (ii) a Government annual report is required to be gazetted under section 29 of the Law;
- (iii) a quarterly report of a ministry or portfolio is required to be presented to the Legislative Assembly under section 43 of the Law;
- (iv) an annual report of a ministry or portfolio is required to be presented to the Legislative Assembly under section 44 of the Law;
- (v) a half-yearly report of a statutory authority or government company is required to be presented to the Legislative Assembly under section 51 of the Law; and
- (vi) an annual report of a statutory authority or government company is required to be presented to the Legislative Assembly under section 52 of the Law;

**AND WHEREAS** the impact of Hurricane Ivan was as an 'exceptional circumstance' in accordance with the definition of that term in section 2 of the Law;

**BE IT NOW THEREFORE RESOLVED** that the date of gazetting or the required presentation dates to the Legislative Assembly be extended to 30 April 2006 for-

- (i) the Government quarterly reports for the quarters ended 30 September 2004, 31 December 2004 and 31 March 2005;
- (ii) the Government annual report for the year ended 30 June 2005;
- (iii) the quarterly reports of ministries and portfolios for the quarters ended 30 September 2004, 31 December 2004 and 31 March 2005;
- (iv) the annual reports of ministries and portfolios for the year ended 30 June 2005;
- (v) the half-yearly reports of statutory authorities and government companies for the six months ended 31 December 2004; and
- (vi) the annual reports of statutory authorities and government companies for the year ended 30 June 2005;

**AND BE IT NOW FURTHER RESOLVED** for the purposes of the 2004/5 financial year and in the interests of efficiency that-

- (i) the quarterly and annual reports of the Governor in Cabinet be included in one document but with the results of each period identifiable;
- (ii) the quarterly and annual reports of ministries and portfolios be included in one document for each ministry or

portfolio (which may be combined into one overall document for all ministries and portfolios) but with the results of each period identifiable; and

- (iii) the half-yearly and annual reports of statutory authorities and government companies be included in one document for each statutory authority and government company (which may be combined into one overall document for all statutory authorities and government companies) but with the results of each period identifiable.

**The Speaker:** Government Motion No.8/05 has been moved and is open for debate. Does the Honourable Third Official Member wish to speak thereto?

**Hon. G. Kenneth Jefferson:** Thank you Madam Speaker.

Government Motion No. 8/05 seeks the approval of the Legislative Assembly to extend the date of gazetting, or the required presentation dates to the Legislative Assembly, to 30 April 2006, for the quarterly, half yearly and annual reports for the 2004/5 financial year which ended on 30 June 2005.

The 2004/5 financial year was the first year that the output performance and financial reporting specified in the Public Management and Finance Law (hereafter the Law) came into full effect.

The purpose of the various reports required of Government agencies under the Law is to provide the Legislative Assembly and the public with information necessary to evaluate the performance of individual government agencies, public authorities and the Government as a whole against their approved Budget.

The Ministry and Portfolio quarterly and annual reports will detail actual results against the approved annual budget statements and purchase agreements. The whole of Government quarterly and annual reports will detail Government's actual results against the approved Annual Plan and Estimates. The half yearly reports are produced by statutory authorities and government companies and they detail performance against their approved ownership agreements.

Madam Speaker, the ability of the Government to meet the reporting deadlines specified by the Law was dealt a serious blow by Hurricane Ivan, which was a truly exceptional circumstance. When I refer to the Government, the time period involved includes both the past and also, to a lesser extent, the current administration.

The effects of the hurricane on Government's ability to meet the reporting deadlines in the Law was further aggravated by the need to produce two extensive Supplementary Budgets during the 2004/5 financial year. It was also further impacted by the delayed General Elections and the subsequent reorganisation of ministries and portfolios. This unique set of circum-

stances all combine to stretch the ability of both the past and present governments to comply with the reporting requirements of the Law.

Where an exceptional circumstance has occurred, section 13(3) of the Public Management and Finance Law authorises the Legislative Assembly by way of resolution passed during or following a state of emergency or exceptional circumstance to extend the date by which the various reports are required under the Law.

In addition to seeking approval for a delayed reporting cycle this Motion also seeks approval to combine the 2004/5 quarterly reports with the annual reports into one document, but with result for each period being separately identifiable

The Government is committed to ensuring that all government agencies and public authorities fulfil the reporting requirements of the Law. I am pleased to report that the first quarter report for the 2005/6 financial year is currently in the process of being finalised and will be published in the Gazette shortly then tabled in the Honourable House as soon as possible thereafter.

To give more specific examples of what the reporting deadline is under the Law, for example, if we take section 28 of the Law, which relates to the quarterly reports done by the government (and the government in this instance would comprise all ministries and portfolios), and if we examine the quarter from 1 July 2004 to 30 September 2004, section 28(1) of the Law states that the deadline for gazettal of that quarter report is eight weeks from the end of the quarter, which would establish a date of 30 November 2004.

We all remember where the Cayman Islands were on 30 November 2004, and the Government at the time was quite rightly concentrating on ensuring that the Islands recovered from Hurricane Ivan as opposed to attaching a greater level of significance to gazetting a quarterly report. So the reporting deadline for that first quarter in the 2004/5 financial year was not complied with. The same scenario is applicable to each of the quarters in that previous financial year.

The intent of the Motion, therefore, is not to curtail the provision of the information required but, rather, to provide it at a later date. The date chosen in the Motion is 30 April 2006.

In conclusion this Motion represents an effort to regularise the provision of financial information to a more realistic date. I would ask all honourable Members of the House to support the Government Motion.

Thank you, Madam Speaker.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? If no other Member wishes to speak does the Honourable Member wish to exercise his right of reply?

**Hon. G. Kenneth Jefferson:** Just simply to thank all honourable Members for their tacit support.

**The Speaker:** That concludes the debate on Government Motion No. 8/05. The question is: **“BE IT NOW THEREFORE RESOLVED that the date of gazetting or the required presentation dates to the Legislative Assembly be extended to 30 April 2006 for-**

- (i) the Government quarterly reports for the quarters ended 30 September 2004, 31 December 2004 and 31 March 2005;
- (ii) the Government annual report for the year ended 30 June 2005;
- (iii) the quarterly reports of ministries and portfolios for the quarters ended 30 September 2004, 31 December 2004 and 31 March 2005;
- (iv) the annual reports of ministries and portfolios for the year ended 30 June 2005;
- (v) the half-yearly reports of statutory authorities and government companies for the six months ended 31 December 2004; and
- (vi) the annual reports of statutory authorities and government companies for the year ended 30 June 2005;

**“AND BE IT NOW FURTHER RESOLVED for the purposes of the 2004/5 financial year and in the interests of efficiency that-**

- (i) the quarterly and annual reports of the Governor in Cabinet be included in one document but with the results of each period identifiable;
- (ii) the quarterly and annual reports of ministries and portfolios be included in one document for each ministry or portfolio (which may be combined into one overall document for all ministries and portfolios) but with the results of each period identifiable; and
- (iii) the half-yearly and annual reports of statutory authorities and government companies be included in one document for each statutory authority and government company (which may be combined into one overall document for all statutory authorities and government companies) but with the results of each period identifiable.”

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

**Ayes.**

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

**Agreed: Government Motion No. 8/05 passed.**

**The Speaker:** That concludes all business before this Honourable House for the 2005 Session. I now call on

the Honourable Leader of Government Business to move a motion for the adjournment.

## ADJOURNMENT

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker.

I am sure that you will be notifying honourable Members of the date of the next meeting with ample time, but as that date has not been set I would ask that this honourable Legislative Assembly be adjourned sine die.

**The Speaker:** Before I put the question for the adjournment of this Honourable House, as this is the last meeting of the 2005 Session prior to the Christmas, I will allow Members an opportunity to extend Season's Greetings to their constituents and to members themselves.

Honourable Leader of Government Business.

### Season Messages

**Hon. D. Kurt Tibbetts:** Madam Speaker, I cannot pass this opportunity, especially after the intercourse today to, on behalf of my colleagues and I, wish all of the Members of the Opposition and their families the very best for the holiday season.

I wish to also thank the staff of the Legislative Assembly both the permanent and ancillary staff for all of the kindnesses extended to us during the course of the year. I am certainly going to look forward to a get together before the holidays so that we can fellowship.

Also to the entire country, on behalf of the Government and the Government Backbench, let me say that while we understand the imperfections of the day that we look forward to a holy and happy season for all of us. We will do the best we can to find the time to visit and fellowship with as many constituents as possible. We really look forward to a bright and prosperous New Year and the years ahead.

It would be remiss of me if I did not at this time give God thanks for all of the good things that He has done. While times have been trying, and continue to be so, and even as we hear of sadness almost on a daily basis, we do not question His will and we are grateful for all of His mercies.

A special thank you to you, Madam Speaker, personally. You have brought to this Honourable House (with respect to all before you) what perhaps has never been seen—even as uncomfortable as you make us to be on some occasions. I am sure that we will quickly learn, and the efficiency which you portray in this Legislative Assembly is welcomed and very refreshing. Best regards to you and your family. I do not have to wish your constituents on your behalf (because I am certain you will do so), but I include your district's constituents in our Season's Greetings to the entire country.

Finally, let me say that the Government always will take on board suggestions that are rational and realistic. I take the opportunity to say that in the Christmas spirit so that the Opposition will know that when the point is salient, the Government is quite willing to take it on board, even if it is a Christmas greeting.

Thank you.

**The Speaker:** Does any other Member wish to speak? The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

To God be the glory, great things he hath done. In the Christmas spirit at this time of year we think of the birth of Jesus Christ, our Saviour and Redeemer. First of all, I would like to thank Almighty God for all of His rich blessings upon these Islands we call home.

Madam Speaker, to yourself and your entire family, to the Leader of Government Business and his family, and to all Members of the Government Bench and their families, we wish them every bit of goodness, health and happiness for the upcoming holiday season and the New Year.

We would also like to send a Christmas greetings and a happy New Year to all members of the public service and to thank them for all the hard work they do on behalf their country.

Indeed, as I reflect back, it has been a year filled with much to be thankful for, even the challenges that have come with it. In being thankful one has to reflect and understand the love of Almighty God that is extended to us by sending Christ to be our Saviour.

I would also like to take this opportunity to extend to the entire Cayman Islands community our best wishes for a healthy, safe holiday season and for a happy and prosperous New Year.

I would like to encourage all of our citizens to be especially thankful during this holiday season; thankful that we have come through another hurricane season and thankful for all of God's blessings on us.

We would like to encourage them to be safe because during the holiday season there can be much celebrating which can lead to unfortunate circumstances. We implore everyone to be safe and have something kind to say, go out of your way to have something kind to say to someone during this holiday season; go out of your way and call an old friend, visit the relative that that you have not seen for some time but only spoken to on the phone. It is in this that our humanity becomes more meaningful.

Again, Madam Speaker, I thank you on behalf of the Opposition and we wish all of our colleagues in this Legislative Assembly, all the staff here and the wider community, God's richest blessings for a healthy and happy 2006.

**The Speaker:** The Honourable Chief Secretary.

**Hon. George A. McCarthy:** Madam Speaker, on behalf of the Official Members I would like to take this opportunity to first of all extend season's greetings to yourself, the staff of the Legislative Assembly and thank them for the very hard work that they have performed during the course of the year in meeting the needs of Members of the Legislative Assembly, to the Honourable Leader of Government Business and the Government Bench, to the Honourable Leader of the Opposition and Members of the Opposition and to the civil service in its entirety, and the Cayman Islands as a whole.

Madam Speaker, once more we have to express gratitude to Almighty God for the mercies that he has extended towards us. Last year around this time we were in the midst of trying to cope with the stresses emerging from Hurricane Ivan. At this time we see that there is a significant difference. Last year around this time there were a few green leaves coming out on some of the plants, but today Grand Cayman is a community that is once more green. That is an indication of life.

We all recognise the significance of Christmas, the birth of Christ Jesus, but this is a time when it is an opportunity for that knowledge to be reinforced because Christ Jesus himself said that if we do not love man whom we see, how can we love God whom we have not seen. So as we celebrate the Christmas season, it is not a time to be selfish but a time to be mindful that it is an occasion to fellowship and give God thanks for his many mercies that he continues to pour out upon us from day-to-day, to be gentle in the way that we think and act toward others—and not only during the Christmas season, but such should be a way of life.

Madam Speaker, thank you for this opportunity to extend Season's Greetings.

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

If no other Member wishes to speak I, too, would like to extend Season's Greetings to all Members of this Legislative Assembly together with their families. At this time of the merry season I would like to say thank you to all Members of this Legislative Assembly for the respect that has been shown to me ever since I took this Chair.

When you all elected me back in May I accepted the job with a little bit of trepidation, wondering if at the end of the first year my hair would be totally gray! But, luckily for me, all Members, Members of the Government and the Opposition, have extended extreme respect to the Chair and for this I say thank you.

While we go into the Christmas season I say to you all make it a family season, spend time with your families and get some rest, because 2006—if we listened to the Government's presentation—there is going to be lots of work for this Legislative Assembly, and we want to be well rested.

To the staff of the Legislative Department, I say thank you for making these past nine months for

me as Speaker an easy one. I wish for you and your families all the best for the Christmas season a healthy and prosperous 2006.

Last but not least, to the people of North Side who have given me the opportunity to sit in these hallowed Chambers since 1992, I say to you have a Merry Christmas, a healthy and prosperous New Year and we look forward to better things for the district of North Side.

To the people of the Cayman Islands in general, as the Speaker of the Legislative Assembly, I wish all people living in these Islands a Merry Christmas and a prosperous and healthy New Year. May God bless.

The question is that this Honourable House do now adjourn sine die.

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

**Ayes.**

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

**At 3.55 pm the House stood adjourned sine die.**



**OFFICIAL HANSARD REPORT**  
**MONDAY**  
**27 FEBRUARY 2006**  
**10.10 AM**  
*First Sitting*

**The Speaker:** I call upon the Third Elected Member for George Town to deliver the Prayer.

**PRAYERS**

**Ms. Lucille D. Seymour:** Let us pray.

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

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

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

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

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

**Proceedings resumed at 10.12 am**

**ADMINISTRATION OF OATHS  
OR AFFIRMATIONS**

**Oath of Allegiance**

*By Mr. Colin Ross, MBE, JP*

**The Speaker:** Mr. Ross could you come to the Clerk's table please?  
Please stand.

**Mr. Colin Ross:** I, Colin Ross, MBE, JP, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, her heirs and successors, according to Law, so help me God.

**The Speaker:** Mr. Ross, on behalf of this honourable House, I welcome you here as the Acting First Official Member. I cannot welcome you to these Chambers because you have been here on many occasions before. Please take your seat.

Please be seated.

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

**Apologies**

**The Speaker:** I have received apologies from the Honourable First Official Member, who is the Acting Governor, and the Third Elected Member for the district of West Bay.

**PRESENTATION OF PAPERS  
AND OF REPORTS**

**First Annual Report of the Office of the Com-  
plaints Commissioner Addressing a Portion of the  
Fiscal Year July 2004 – June 2005**

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you. Madam Speaker, the Honourable Minister is unavoidably delayed and will be here shortly. So I crave your indulgence to defer the laying of both reports on the Order Paper.

**The Speaker:** So ordered.

**Suspension of Standing Order 23(6)**

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you. Madam Speaker, as we were able to put more questions than were allowed on the Order Paper today (because we did not know how long this meeting is going to last), I crave your indulgence and ask for the suspension of Standing Order 23(6) to allow more than three questions to

appear on the Order Paper in the name of the same Member.

**The Speaker:** The question is that Standing Order 23(6) be suspended. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Standing Order 23(6) suspended.**

## QUESTIONS TO HONOURABLE MINISTERS/MEMBERS OF THE CABINET

**The Speaker:** Question number 37 stands in the name of the Second Elected Member for Cayman Brac and Little Cayman.

### Question No. 37

**No. 37: Mr. Moses I. Kirkconnell** asked the Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing to provide an update on the status of Government's plans to assist with the construction of affordable housing on Cayman Brac.

**The Speaker:** Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration.

**Hon. D. Kurt Tibbetts:** Thank you.

Madam Speaker, I am happy to report that this Government is supporting the provision of affordable housing in Cayman Brac. In November 2005, the Governor-in-Cabinet approved the formation of a non-profit corporation called the Sister Islands Affordable Housing Corporation, and appointed the first Board of Directors.

Government's direct contribution toward the provision of affordable housing in Cayman Brac includes the following:

- An equity injection to the Corporation of some \$800,000 in the Government's 2005-2006 budget to be applied toward the construction of homes; and
- Crown land, including subdivided lots and roads to be transferred to the Corporation for eventual transfer to potential homeowners.

In addition, Ministry staff have been providing administrative and project management services to the Corporation. The Corporation has commenced formal meetings. In addition to the initial start-up corporate functions, I understand the Board is moving full speed ahead to have house plans developed, sites

prepared, and needs assessments undertaken.

In short, I am pleased to say that the dedicated Board of Directors, in addition to my Ministry staff have been devoting an inordinate amount of time to ensuring that the Corporation is fiscally responsible and professional as well as addressing the immediate housing needs of Caymanians, while also taking steps to engage the industry in moving forward with a longer term plan to make affordable homeownership a reality for many more Caymanians throughout all three Islands.

**The Speaker:** Are there any supplementaries? The Second Elected Member for the district of Cayman Brac and Little Cayman.

### Supplementaries

**Mr. Moses I. Kirkconnell:** Thank you, Madam Speaker. Would the Minister say when he thinks ground will be broken for the start of the houses?

**The Speaker:** Honourable Leader of Government Business and Minister responsible for District Administration.

**Hon. D. Kurt Tibbetts:** Thank you.

Madam Speaker, it is difficult for me to pinpoint a date. Certainly ground will not be broken until all is ready, but I do expect for the physical construction of these homes to start within a couple of months.

**The Speaker:** Are there further supplementaries? The First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

To the Honourable Leader of Government Business, in respect of the commencement of formal meetings of the board of directors, is the Honourable Leader in a position to lay out how they may be contacted as far as physical office and what would be the procedure for applicants who are anticipating a home?

**The Speaker:** Honourable Leader of Government Business and Minister responsible for District Administration.

**Hon. D. Kurt Tibbetts:** Madam Speaker, presently office space and resources are being used at District Administration. There is a secretary to the Board who is a member of the staff. Needs assessment forms are being returned to the Government Administration Building. Let me say that a short public relations programme will commence shortly advising the public of the various issues (that she might speak to when she asks about application forms) advising them of that information, at the same time advising them as to how



they should acquire these forms and where they should return them.

**The Speaker:** Are there further supplementaries? The First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. Could the Leader of Government Business say how the forms are accessed? Where can they be collected?

**The Speaker:** Honourable Leader of Government Business and Minister responsible for District Administration.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I would like to make the sequence of events clear.

At present, as we speak, needs assessment is being completed, which is not difficult to do on the Island of Cayman Brac. We wanted to make sure that we had a very clear indication of the numbers that are being sought at that level, and the specific application forms will be available at the Government Administration Building.

I do not want to say this morning that the application forms are available as we speak; but what I can say is that in the short public relations programme that will be done, in short order everyone will know where to get these forms and where to return them.

**The Speaker:** Are there further supplementaries? The First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Madam Speaker, for clarity, is it correct that as of now no forms would be in a position to be returned to District Administration?

**The Speaker:** Honourable Leader of Government Business and Minister responsible for District Administration.

**Hon. W. McKeeva Bush:** Madam Speaker, the needs assessment is being done. In order to fill out the applications from an informed position everyone needs to know exactly what is available (plans, size et cetera), and that is what is being completed now. I would say to the Member that it is not the right time to [submit] the application forms from a timing point of view. Once the groundwork is complete then everyone in Cayman Brac will know of the availability of the application form so it will not be that people will be left behind not knowing what is what.

We do not want people to be coming in and not have the answers readily available for them as to sizes, et cetera, and for them to be able to look at the plans to see what is available along with the questions as regards their ability to service the debt.

Suffice it to say, that all individuals who have interest will be dealt with on a one-on-one basis with a view to guiding them in the right direction so that they are able to acquire whatever is needed and afforded by them.

**The Speaker:** Are there further supplementaries? The Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker. Can the Honourable Minister say when Crown Lands were provided and subdivided?

**The Speaker:** Honourable Leader of Government Business and Minister responsible for District Administration.

**Hon. D. Kurt Tibbetts:** Madam Speaker, when the First Elected Member for Cayman Brac and Little Cayman was the Minister (in the former administration), the majority of the land that will be used now for the first batch of homes was acquired and subdivided, and the vesting process is now taking place since the corporation has been formed.

**The Speaker:** I will allow one more supplementary. Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, the question speaks of an amount provided in the Budget. Can the Minister say whether any of this amount has been spent, or were any amounts provided before the delivery of the Budget?

**The Speaker:** Honourable Leader of Government Business and Minister responsible for District Administration.

**Hon. D. Kurt Tibbetts:** Madam Speaker, when the First Elected Member for Cayman Brac and Little Cayman was the Minister and she pursued affordable housing in Cayman Brac and the land was identified, there was an amount in the 2004/05 allocation of \$800,000 for the Affordable Housing Project in Cayman Brac. Unfortunately, the Corporation was not formed before the fiscal year end. The funds could not be transferred at that time, which meant that the original amount fell away.

When we were doing allocations for the 2005/06 Budget we reintroduced that amount into the Budget to ensure that it was there and the funds will be transferred to the Corporation so that they can get on with doing the project.

**The Speaker:** Question number 38 stands in the name of the Second Elected Member for Cayman Brac and Little Cayman and is addressed to the Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration.

**Question No. 38**  
(Deferred)

**No. 38: Mr. Moses I. Kirkconnell** asked the Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing to provide an update on the status of ship-to-ship fuel transfer (a.k.a. "lightering") off the coast of Cayman Brac.

**The Speaker:** Honourable Leader of Government Business and Minister responsible for District Administration.

**Hon. D. Kurt Tibbetts:** Madam Speaker, unfortunately our photocopier broke down this morning. I have the answer but the other answers are being ferried from the Government Administrative Building to the Legislative Assembly.

If it is within your power to do so, could we put that one for later on and go on.

**The Speaker:** We could ask the Clerk to have a member of staff photocopy it while we wait. I would not like an answer to be given unless Members have the answer.

**Hon. D. Kurt Tibbetts:** I was suggesting that we move on to another question while that is being done.

**The Speaker:** We are moving on to different Member asking questions. So we will come back to the Second Elected Member of Cayman Brac and Little Cayman.

Question number 39 stands in the name of the Fourth Elected Member for George Town and is asked of Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing.

**Question No. 39**

**No. 39: Mr. W. Alfonso Wright** asked the Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing to provide an update on the status of Freedom of Information legislation.

**The Speaker:** Madam Clerk, could you distribute the answers to the questions while we await the return of the Serjeant-at-Arms, please, so that the proceedings are not held up?

The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, on 8 February the Government officially launched its public awareness campaign geared towards educating the public on the Draft Freedom of Information Legislation and garnering feedback from the public to assist in

finalising the draft Legislation. This campaign is to include dissemination of brochures, mailing of information packages to interest groups, public service announcements on radio and TV, town hall meetings, and the website [www.foi.gov.ky](http://www.foi.gov.ky).

We have already begun to receive input from the private citizens, local companies, and even a non-governmental organisation in India, dedicated to reviewing Freedom of Information Legislation (FOI) throughout the Commonwealth. This particular NGO learned about our draft FOI Legislation via local on-line media.

Whilst we undertake the public awareness campaign, the Government remains focused on the training of information officers within the Civil Service. Towards this end, a consultant from Public Administration International will be arriving in early March to begin sensitising information officers and key stakeholders within the public sector to what will be expected of them once FOI Legislation is implemented.

**The Speaker:** Are there any supplementaries? The Honourable Leader of the Opposition.

**Supplementaries**

**Hon. W. McKeever Bush:** Thank you, Madam Speaker.

Can the Honourable Minister say what the Government envisages will happen to sensitive information, personal and otherwise, such as health records, in this process.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the draft bill and all of the other public utterances that have been made about it have indicated that where there is sensitive information, whether personal or in the interest of the national security and otherwise, that the Bill itself when it becomes law will ensure that the proper method of dealing with such information is law. It means that there will be some exceptions to the Freedom of Information Law and what the Honourable Leader of the Opposition just mentioned as and example certainly will be one of them.

**The Speaker:** Are there any further supplementaries?

The Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker.

Can the Honourable Minister give us information on the length of the public relation process and when we expect to have the Freedom of Information Law come into law?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the deadline for all written submissions had been given as 28 April. During that interim the process has already started because the Committee working towards the information gathering and sensitising of the information officers and the public has been on various media programmes. As soon as dates are cemented there will be other meetings being held and there will also be an informal open session of the Members of the Legislative Assembly who will hear submissions by individuals or entities who chose to do so.

We hope to have that process completed by 28 April. Once that is completed, depending on the volume that has to be dealt with, the Attorney General and his staff will turn their minds to wards sifting through the recommendations with a view to making changes bringing it to Cabinet. We hope to have the exercise completed by the end of June.

**The Speaker:** Are there any further supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Can the Honourable Minister say if it is envisioned to have a detailed presentation to honourable Members of the House of the actual specific provisions of the Law?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I am assuming that when the Second Elected Member for West Bay speaks to the "Law" he means the "Bill". Having said that, I am not sure if he is speaking to the Bill in its present form or the Bill when it is completed after receiving the recommendations. If he is speaking of it in its present form then, certainly, it would be better to await the entire process.

He is nodding his head, so I then assume that it is the completed draft after taking all of the presentation or recommendations from the public.

No date has been set but, certainly, in the entire process, having gathered all of the information, Members of the Legislative Assembly will be handed copies of the completed "final draft" for their input and an informal meeting will be held with all Members and if there are any other recommendations to be taken we will do so then.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

Can the Minister say whether the Governor's correspondence will be open relating to the life and workings of the administration of these Islands and matters thereto?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the question that the Honourable Leader of the Opposition has asked is one that is impossible for me to answer at this point. We do not know what the final product of the legislation will be, but I wish to not venture or even attempt to answer his question based on where we are at with the draft legislation.

**The Speaker:** Honourable Leader of Government Business, if you had allowed me, I was going to say that it was outside the ambit of the question. I will allow one more supplementary.

Are there any further supplementaries? The Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker.

Could the Honourable Leader of Government Business say whether the Freedom of Information Bill is carry-forward business from the previous administration or whether it is a first time initiative of the present Government?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, this piece of legislation and the concept is one that has been talked about for many years at varying stages. Some past legislators were proponents and I would dare say that all the present legislators have also been proponents of the proposed legislation, but this is the first time it has actually gone this far to becoming a reality.

**Hon. W. McKeeva Bush:** What a joke!

**The Speaker:** The First Elected Member for the district of Cayman Brac and Little Cayman has a supplementary and I will allow this as the final supplementary.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you for your indulgence, Madam Speaker.

To the Honourable Leader of Government Business, as it relates to the last paragraph, could the Honourable Leader say whether or not it is March this year that the consultant is expected to arrive from the Public Administration International? If so, how do you make the quantum leap from the legislation being draft form to it being implemented as is set out in the said paragraph?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the last sentence of the substantive answer reads, "Toward this

end, a consultant from Public Administration International will be arriving in early March to begin sensitising information officers and key stakeholders within the public sector to what will be expected of them once FOI Legislation is implemented." The quantum leap that the First Elected Member for Cayman Brac and Little Cayman speaks to is really not a "quantum leap." The answer is saying that the process of sensitising will begin in March. There are varying stages between then and the legislation moving from Bill form to safe passage in the Legislative Assembly.

There will be specific training courses involved for those information officers. One of the principles being applied is ensuring that some of the trained become trainers so that the process will be ongoing. I hope that satisfies the Member, if it does not, she will have to speak to me privately since that was the last supplementary.

**The Speaker:** Question number 40 standing in the name of the Fourth Elected Member for George Town and is directed to the Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing.

#### Question No. 40

**No. 40: Mr. W. Alfonso Wright** asked the Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing to provide an update on the status of the Development Plan Review process.

**The Speaker:** Honourable Leader of Government Business and Minister responsible for Planning.

**Hon. D. Kurt Tibbetts:** Madam Speaker, proposed Amendments to the Plan (2004) were submitted to the previous Ministry on 17 June 2004. In January 2005, the previous Cabinet instructed that the Ministry of Planning should make an effort to have this Plan closely reviewed along the lines of Vision 2008. The Central Planning Authority (CPA) then asked that these instructions be clarified, especially since the Development Plan Review process had, from the outset, taken on board the strategies and recommendations made in Vision 2008. Neither the Ministry nor the CPA received full and clear instructions from the previous Cabinet.

Madam Speaker, I can attest to the fact that one of my very first questions of His Excellency the Governor upon my taking office after the 2005 General Election was, "What is the status of the Development Plan". Within weeks of the General Election, the new Cabinet received a thorough and comprehensive overview of the Development Plan review process and an overview of the recommended amendments to the

Plan. Cabinet directed the CPA to resume its review and make necessary submissions to me.

The Central Planning Authority has met five (5) times since August 2005, to discuss The Development Plan of 1997.

The five (5) meetings to date have centred primarily on increasing CPA members' knowledge on how the proposed amendments reached the present stage. In addition, members were also privileged to have presentations from the National Roads Authority (NRA), the Cayman Islands Airports Authority (CIAA) and the Department of Environment (DOE) on their respective areas of concern and responsibility, and their main short- medium- and long-term plans.

The CPA is awaiting presentations from a few more critical Government agencies. The completion of these presentations and review of the documents will then inform the CPA's recommendation for the way forward. The Chairman of the CPA has informed me that these recommendations will be forthcoming by the end of March 2006.

Once this has been formulated, the CPA will then be in a position to provide a timeframe for completion of submissions to the Ministry.

**The Speaker:** Are there any supplementaries? The Fourth Elected Member for the district of George Town.

#### Supplementaries

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker. Can the Honourable Leader say when the last review was carried out?

**The Speaker:** Honourable Leader of Government Business and Minister responsible for Planning.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the last completed review of the Development Plan was done in order to facilitate the 1997 passage of the Development Plan. So it was prior to 1997, and being completed before it was passed.

The next one was in 2002, and the process was in train in 2001. Unfortunately I do not know what happened until after this Election because after November 2001, I was no longer there.

**The Speaker:** Are there any further supplementaries? The Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker.

Would the Honourable Leader of Government Business say, if after the CPA has taken on board all of their representations and presentations from the various interested entities, if the Plan will be taken back to the districts for further input?

**The Speaker:** Honourable Leader of Government Business and Minister responsible for Planning.

**Hon. D. Kurt Tibbetts:** Madam Speaker, it is sheer coincidence, but I was speaking to my PA and the deputy PA about the same matter just a few days ago. I do not want to say a clear yes, but I will say that I am fairly confident that once that review is completed and the recommendations are made by the Central Planning Authority that the Government (of which he is a part) would certainly wish to be consultative in the process. I believe it is safe to think that is what will occur.

**The Speaker:** Are there any further supplementaries? The First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

I wonder whether the Honourable Leader of Government Business could say whether his plans for the revision of the Development Plan review process would involve Cayman Brac and Little Cayman and if so state at what stage.

**The Speaker:** Honourable Leader of Government Business and Minister responsible for Planning.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the lady Member from Cayman Brac and Little Cayman was at the forum held a few months ago, and I gave an indication there that it is time for Cayman Brac and Little Cayman, but especially Cayman Brac, to be looking seriously at their own development plan. This process I speak to involves the Grand Cayman Development Plan. But I have had meeting with members of the Development Control Board, District Administration staff, and I have spoken to individuals during my visits to Cayman Brac, with a view to moving that process forward but in a manner that is acceptable to the people of Cayman Brac.

As we know, in the attempts tried over the years there was always resistance. I suspect that was due to methodology. Let the Member rest assured that I am confident that the people of Cayman Brac now fully realise that some of the development that is taking place, especially the development on the Bluff, that it is time for them to look to preparing how they would wish for Cayman Brac and Little Cayman to be in years to come. If their vision for Cayman Brac and Little Cayman is to be realised then they will need such a plan.

In summary, the review process that the substantive answer speaks to does not involve Cayman Brac and Little Cayman; but, certainly, there is no intention to leave them without a development plan. It is only to ensure that the people from Cayman Brac and Little Cayman are comfortable with the process that will be followed.

**The Speaker:** Are there any further supplementaries? The Fourth Elected Member for George Town followed by the Second Elected Member for West Bay.

The Fourth Elected Member for George Town.

**Mr. W. Alfonso Wright:** Madam Speaker, can the Honourable Leader of Government Business say precisely when the last review was due and why it was not carried out.

**The Speaker:** Honourable Leader of Government Business and Minister responsible for Planning.

**Hon. D. Kurt Tibbetts:** The last review was due by 2002, as the Law calls for a review to be completed every five years. After the 1977 Plan was done it was twenty years before it was done again in 1997. It should have been completed in 2002.

As I indicated in my substantive answer, while I was in the Ministry in 2001 I started the process, and the plan was there to have the process completed so that by 2002 there would have been a new Development Plan called the Development Plan 2002. Unfortunately, as I indicated earlier, I do not know what happened after 2001. I have to apologise to the Member but I cannot give him an answer because I was not there.

**The Speaker:** The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you Madam Speaker.

Following on from the question from the Third Elected Member for Bodden Town and the answer given by the Honourable Minister, once this process is over and the consultative process take place before finalisation, how does he envision dealing with any new input when that round of consultation takes place?

**The Speaker:** Honourable Leader of Government Business and Minister responsible for Planning.

**Hon. D. Kurt Tibbetts:** Madam Speaker, is the Member speaking of after public consultation takes place? I am not quite sure of what he is asking, if he could please clarify.

**The Speaker:** Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, the Third Elected Member for Bodden Town asked the question, if when this process is complete, whether or not the results will be taken back to the districts. In his reply I understood the Honourable Leader of Government Business to say that he could not give a definitive yes but whatever would come out of this would involve a consultative process.

I am asking, once the process is complete and whatever this consultative process that is alluded to takes place, what then? How would those recommendations that may then come forward be encapsulated in the final product?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, let me clarify for the Second Elected Member for West Bay.

When I said that I could not give an unequivocal yes, I mentioned it in that manner because we have not yet decided on exactly the process after the CPA makes its recommendations to the Ministry which is supposed to be done by the end of March. The public will not be excluded at any point. It is just that if I had said yes, somebody else would have asked me how we were going to do it, and we have not yet developed that methodology because it is being worked on as we speak.

The public will not be excluded. Once we have all of the recommendations back from the public along with the recommendations given by the CPA then the final recommendations will go to Cabinet and it will come to the Legislative Assembly.

**The Speaker:** Are there any further supplementaries? If not we will move on to the next question. If not, we'll move on to question number 41, standing in the name of The Fourth Elected Member for George Town and is addressed to the Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing.

#### Question No. 41

**No. 41:** **Mr. W. Alfonso Wright** asked the Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing to comment on the status of Mosquito Research and Control Unit's (MRCU) aerial spraying program.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** MRCU's aerial spraying programme was severely impacted by Hurricane Ivan, resulting in the loss of one aircraft and considerable damage to the aircraft hangar and support facilities.

One aircraft remained operational, however, and the department was able to prevent an outbreak of mosquitoes immediately post-Ivan, as well as assisting in the control of the resulting fly problem.

More recently, the aerial spraying programme has necessarily been on hold since the second aircraft was damaged in a landing incident at the airport in August 2005. Fortunately, the department had been

able to complete around 75 per cent of a large-scale larviciding treatment island-wide up to the time of the incident. That treatment has provided reasonably good mosquito control over the intervening months, supported by a significant increase in ground-based operations.

On 27 January 2006, MRCU took delivery of the first of two new aircraft, custom-built to the specific needs of the department's operational strategy. It is hoped that the second aircraft will arrive in April or May of this year. Finalisation of paperwork and reviews by Civil Aviation Authority (CAA) with respect to the first aircraft have been ongoing, and it was anticipated that the first flight by MRCU would take place 20 February.

However, an incident occurred at Owen Roberts International Airport on 18 February in which the new aircraft was damaged, allegedly by the engine blast from a second aircraft. It should be stressed that this was not due to any action or inaction on the part of MRCU, and the aircraft (that is, MRCU's aircraft) was properly secured on the apron at the time of the incident. That incident is presently under investigation by CAA. In checking with the director, I understand that the incident report is not complete but it will be shortly.

In the meantime, the Department's priority is to get the aircraft repaired as quickly as possible. On the advice of CAA, representatives from the aircraft manufacturer are to visit Cayman to assess the damage and advise on what repairs are needed. Those repairs will be conducted in collaboration with Thrush Aircraft Inc., the manufacturer.

This is certainly a set-back for MRCU's operational plans, and it may take some weeks to repair the aircraft and receive an airworthiness approval. Once that is done, there is still more work to complete in calibrating and testing the application equipment and integrating that equipment and integrating that equipment with the on-board computer and GPS guidance system.

Nevertheless, if these repairs can be done in a timely manner, there should still remain enough time before the onset of the rainy season to allow MRCU to conduct an island-wide larviciding treatment to preempt a potentially serious mosquito emergence.

It must also be acknowledged that there are presently some concerns by CAA regarding the support facilities for MRCU's aerial operations, particularly with regard to the damaged hangar, workshop and parts storage. However, the department and ministry are working closely with CAA on these issues and a way forward has been identified. Plans are underway to replace the present hangar and pesticide store with a new facility once a location can be identified in conjunction with the CAA.

As to the specifics of MRCU's aerial spraying programme, an important and significant change in strategy was undertaken by the department around three years ago. Basically, this entails shifting the em-

phasis of the overall control strategy from spraying conventional insecticides to accurately applying pellets, which prevent the emergence of mosquitoes in the first place. Although this new approach was interrupted by Hurricane Ivan, the results have already been extremely rewarding and it is envisaged that this methodology will become the mainstay of control measures, with conventional spraying being used in a responsive way only as and when needed.

The advantages of such a programme are numerous, including being able to adopt a pre-emptive tactic rather than reactive. The impact on the natural environment is minimised as the pellets are target-specific; that is, compared to conventional methods, applying pellets more closely targets mosquitoes rather than non-target organisms. An important logistical point is that MRCU personnel can plan and conduct operations at times and in areas of their choosing, rather than waiting to see what the mosquito season will bring.

While such a programme is certainly preferable in many ways, it is an ambitious undertaking and does require a great deal of support work to succeed, including sound scientific research and good information on mosquito breeding sites. Also fundamental to the future success of a large-scale larviciding programme is the sustained funding needed to achieve long-term goals.

Previous comments notwithstanding, it is worth noting that conventional spraying is not to be abandoned and, indeed, this is an area in which MRCU intends to conduct some rigorous research work in the near future. There have recently been a number of advances made in this field, and some innovative techniques adopted, and the department is keen to investigate the feasibility of such methods in Cayman.

Once present difficulties can be overcome (and they will be overcome), it is envisaged that by mid-2006 MRCU will have two fully operational aircraft, allowing the Department to resume its large-scale larviciding programme and begin research work on improving current techniques in conventional spraying. By the onset of the mosquito season in 2007, it is hoped to have a new hangar in which to house the aircraft, and a modern pesticide storage facility in compliance with international standards.

### **Suspension of Standing Order 23(7)**

**The Speaker:** I ask for a motion for the suspension of Standing Order 23(7) in order to allow question time to go beyond 11 am. Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I beg to move to suspension of Standing Order 23(7) to allow question time to go beyond 11 am that we may complete the question and answer period for those on the Order Paper.

**The Speaker:** The question is that Standing Order 23(7) be suspended. All those in favour please say Aye. Those against, No.

**Ayes.**

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

### **Agreed. Standing Order 23(7) suspended.**

**The Speaker:** If there are no supplementaries, we move on to deferred question number 38, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman and is addressed to the Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing.

### **Question No. 38**

**No. 38: Mr. Moses I. Kirkconell** asked the Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing to provide an update on the status of ship-to-ship fuel transfers (also known as "lightering") on Cayman Brac.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the Lightering Committee met on 28 September 2005 to discuss ship-to-ship transfers with Captain Radley Scott (representing the company he works with). The following day the Chief Petroleum Inspector received an email from Captain Scott with the following message, and I quote: "I have spoken to Mr. Doolittle this morning and he has advised me that due to the disaster from Hurricanes Katrina and Rita, everything has been put on hold and there is little movement of propane at this time."

We continued to draft a licence for but held no more meetings based on this information from Skaugen (that is the company) via Captain Scott. The expectation was that negotiations would resume if we were contacted by either Skaugen or the agent.

Skaugen was contacted on 3 February 2006 for an update on the proposed lightering and responded with the following: "We must report that there has been little movement forward since we last spoke. Our customer has not been active in pursuing this project and therefore we have not taken any further action to start lightering off Cayman Brac."

### **Supplementaries**

**The Speaker:** Are there any supplementaries? The First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you. In the substantive response the Honourable Leader of Government Business referred to the Lightering Committee, is he in a position to say who makes up this Committee?

**The Speaker:** The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the Lightering Committee consists of the Chief Petroleum Inspector, the Permanent Secretary in the Ministry, the District Commissioner, a representative from the Legal Department, a representative from the Shipping Registry, and the Second Elected Member for Cayman Brac and Little Cayman, Mr. Moses Kirkconnell.

**The Speaker:** Are there any further supplementaries? The First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. Just a comment first, and then perhaps I will try to formulate that into a question.

Does the policy as it relates to MLAs relate to specific boards and not committees and, if so, would the Honourable Leader of Government Business say whether or not the Second Elected Member for Cayman Brac and Little Cayman, who was asking for an update, was absent from any of the meetings?

**The Speaker:** Honourable Leader of Government Business and First Elected Member for the district of Cayman Brac and Little Cayman, there is question at this meeting relating to MLAs serving on boards. So, Honourable Leader of Government Business would you answer the second part of the lady Member's question?

**Hon. D. Kurt Tibbetts:** Madam Speaker, I have not attended all of the meetings of the ad hoc committee that was formed. I do not have that information but I would be happy to find out and reply to the Member afterwards.

**The Speaker:** Are there any other supplementaries? If there are no further supplementaries we will move on to the next question.

Question number 42 stands in the name of The Fourth Elected Member for George Town and is addressed to the Honourable Minister responsible for the Ministry of Communication, Works and Infrastructure.

#### Question No. 42

**No. 42: Mr. W. Alfonso Wright** asked the Honourable Minister responsible for the Ministry of Communication, Works and Infrastructure what additional

cost has been incurred as a result fast-tracking the completion of the Esterley Tibbetts Highway.

**The Speaker:** Honourable Minister responsible for Communication, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, no additional cost has been incurred as a result of fast-tracking the completion of the Esterley Tibbetts Highway. The fast-tracking of the project has not created any measurable increased burden on the National Roads Authority in terms of placement of materials, access to heavy equipment and overall construction of the roadway. There have been recognised benefits insofar as the majority of the National Roads Authority's labour, plant and materials are essentially concentrated in one easily supervisable area.

#### Supplementaries

**The Speaker:** Are there any other supplementaries? If there are no supplementaries we will move on to the next question.

Questions numbers [10 through 15] stand in the name of the Third Elected Member for the district of West Bay. I will have to ask for these questions to be deferred until the Member returns to the House, as I have had no instructions that they would be asked by any other Member.

#### Questions Nos. 43 – 48

*(Deferred)*

**Hon. W. McKeeva Bush:** Madam Speaker, I understand that this was supposed to have been done. Nevertheless, I ask that the questions numbering 43–48 be moved forward to another paper.

**Mr. Rolston M. Anglin:** Madam Speaker, I beg to second that motion.

**The Speaker:** Thank you. The question is that questions numbering 43–48 in the name of the Third Elected Member for West Bay, be deferred until a later sitting of this Meeting. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Questions Nos. 43-48 deferred.**

**The Speaker:** Question number 49 stands in the name of the Second Elected Member for West Bay and is addressed to the Honourable Leader of Government Business and Minister responsible for District Administration, Planning, Agriculture and Housing.



**Question No. 49**

**No. 49: Mr. Rolston M. Anglin** asked the Honourable Leader of Government Business and Minister responsible for District Administration, Planning, Agriculture and Housing what are the numbers of homes by district that have been repaired following Ivan.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the numbers provided by the Housing Recovery Grant are as follows:

|             |                    |
|-------------|--------------------|
| George Town | 274                |
| West Bay    | 183                |
| Bodden Town | 167                |
| North Side  | 18                 |
| East End    | 46                 |
| Total       | 688 homes repaired |

Figures provided from the District Assistance Fund show repairs by district as follows:

|             |                    |
|-------------|--------------------|
| West Bay    | 120                |
| George Town | 56                 |
| Bodden Town | 128                |
| North Side  | 8                  |
| East End    | 11                 |
| Total       | 323 homes repaired |

The National Recovery Fund has provided us a breakdown of home Repairs by district following Ivan:

|             |                    |
|-------------|--------------------|
| George Town | 159                |
| West Bay    | 112                |
| Bodden Town | 56                 |
| North Side  | 27                 |
| East End    | 28                 |
| Total       | 382 homes repaired |

**The Speaker:** Are there any supplementaries? The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Is the Minister in a position to give the cost associated with the homes repaired outlined in his answer?

**The Speaker:** Honourable Leader of Government Business if you are in a position to give that answer we will accept it, if not, it is outside the ambit of this question.

Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, while I cannot provide an answer for the National Recovery Fund as I do not have that information, I can state that between the \$7.2 million allocated to the Housing Re-

covery Grant, the \$5.9 million allocated to the District Funds, and the \$1.7 million in donations that Government has made to the National Recovery Fund, approximately \$14.8 million has been spent on housing repairs and rebuilds by the Government, excluding whatever the National Recovery Fund has used from private donations.

**The Speaker:** Are there any further supplementaries? The Second Elected Member for the district of Cayman Brac and Little Cayman.

**Mr. Moses I. Kirkconnell:** Thank you, Madam Speaker. There was a commitment made in this House by the Leader of Government Business to allocate \$50,000 to the district of Cayman Brac for repairs to homes that had been damaged by Hurricane Ivan. Could he confirm that there are provisions in place and that that \$50,000 will be spent in the district of Cayman Brac to repair homes?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Yes, Madam Speaker, I can confirm that. Ministry staff and the Cabinet secretary are in the process of dealing with District Administration so that proper methodology can be employed in order to deal with the repairs that are necessary.

**The Speaker:** Are there any further supplementaries? The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker. Am I following the answer of the Honourable Leader of Government Business correctly to understand that there was \$50,000 allocated and none of that money was spent and we are almost two years after Hurricane Ivan?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the answer to that question is correct that the money has not been spent yet. The fact of the matter is that somewhere along the line (and I am being as truthful as I can) the original amount was muddled up in the whole affair; but we have been able to identify the amount since then. Because the recovery efforts of both the Housing Recovery Grant and the National Recovery Fund are not geared to extend to Cayman Brac we are using District Administration to make recommendations with regard to being able to channel the funds and to get the work done. The funds are there ready to be used.

**The Speaker:** Are there any further supplementaries? First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Madam Speaker, on a point of clarity (since I was the previous Minister), could the Honourable Leader of Government Business expound on what he meant by the terminology *the monies got all muddled up*?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, to make it clear so that the First Elected Member for Cayman Brac and Little Cayman is not worried—I was not suggesting for a minute that this occurred during her time and that there was anything untoward. That was not the intention.

**The Speaker:** Are there any further supplementaries? If there are no further supplementaries proceedings will be suspended for fifteen minutes.

#### Proceedings suspended at 11.30 am

#### Proceedings resumed at 11.45 am

**The Speaker:** Please be seated.

Proceedings are resumed. Question number 50 stands in the name of The Second Elected Member for West Bay asked the Honourable Leader of Government Business and Minister responsible for District Administration, Planning, Agriculture and Housing.

#### Question No. 50

**No. 50: Mr. Rolston M. Anglin** asked the Honourable Leader of Government Business and Minister responsible for District Administration, Planning, Agriculture and Housing what are the numbers of homes (by district) that have been rebuilt following Ivan.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, Government's Housing Recovery Grant did not undertake many total rebuilding projects as the maximum amount allowed by the Grant was generally insufficient to rebuild an entire home. However, there were at least 5 total rebuilds that the Housing Recovery Grant did in collaboration with IAMCO in East End.

There were at least another 2 very small homes in George Town that were totally rebuilt. Significant assistance was received from Love in Action Ministries and other private donations of building materials in the case of one of these homes.

A total of 8 rebuilds were completed via the District Assistance Fund. This was broken down by district as follows:

|             |   |
|-------------|---|
| West Bay    | 2 |
| George Town | 0 |
| Bodden Town | 5 |
| North Side  | 1 |
| East End    | 0 |

The National Recovery Fund has also made their figures available. In terms of homes rebuilt, the National Recovery Fund has only completed a total of 4 rebuilds. They continue to hope for receipt of the EUC-envelope funding to go towards the many rebuilds that are still needed.

**The Speaker:** Are there any supplementaries? If not we will move on to question number 51, standing in the name of the Second Elected Member for West Bay asked the Honourable Leader of Government Business and Minister responsible for District Administration, Planning, Agriculture and Housing.

#### Question No. 51

**No. 51: Mr. Rolston M. Anglin** asked the Honourable Leader of Government Business and Minister responsible for District Administration, Planning, Agriculture and Housing what are the remaining numbers of homes (by district) that require major repair or need to be rebuilt following Ivan.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** While both the National Recovery Fund and the Housing Recovery Grant have worked feverishly to complete all major repairs to homes following Ivan, there are still homes requiring major repairs and even rebuilding.

The Housing Recovery Grant reports that a total of 19 homes are left with repairs outstanding. For clarity, those are what have been approved and funding is available for with regard to the Housing Recovery Grant. The breakdown by district is as follows:

|             |    |
|-------------|----|
| George Town | 11 |
| Bodden Town | 5  |
| West Bay    | 3  |

The National Recovery Fund has reported that a total of 100 homes require complete rebuilding. There also remain a total of 200 homes requiring modest-to-major repairs. A breakdown of these homes by district was not available. I am also told that I can report that there are also fourteen remaining homes in the district of East End which will be completely rebuilt. That process will be starting as soon

as Planning requirements are met and contractors are identified.

### Supplementaries

**The Speaker:** Are there any supplementaries? The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, I wonder if the Minister could for the homes that require complete rebuilding whether or not the owners of those homes are going to be involved in selecting the contractor that will do the work?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, unfortunately, I do not have the answer to that. I am not 100 per cent sure of the National Recovery Fund policy. I can find it out and advise the Member. If the Member wishes to discuss the matter I can facilitate that with the principals of the Fund also.

**The Speaker:** Are there any supplementaries? If not we will move on to question number 52 standing in the name of the Second Elected Member for West Bay addressed to the Honourable Leader of Government Business and Minister responsible for District Administration, Planning, Agriculture and Housing.

### Question No. 52 (Deferred)

**No. 52: Mr. Rolston M. Anglin** asked the Honourable Leader of Government Business and Minister responsible for District Administration, Planning, Agriculture and Housing what are the numbers of families who are in rental accommodation but are still displaced due to Hurricane Ivan.

**The Speaker:** Honourable Leader of Government Business and Minister responsible for Housing.

**Hon. D. Kurt Tibbetts:** Madam Speaker, while I anticipated having that answer ready for today, because the answer is somewhat complicated, going beyond the realm of government agencies to provide such information, I would ask that it be deferred until a later sitting.

**The Speaker:** The question is that Question No. 52 standing in the name of the Second Elected Member for the district of West Bay be deferred until a later Sitting in this Meeting.

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

**Ayes.**

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

**Agreed. Question No. 52 deferred.**

**The Speaker:** Question number 53 is standing in the name of the Second Elected Member for West Bay addressed to the Honourable Leader of Government Business and Minister responsible for District Administration, Planning, Agriculture and Housing.

### Question No. 53

**No. 53: Mr. Rolston M. Anglin** asked the Honourable Leader of Government Business and Minister responsible for District Administration, Planning, Agriculture and Housing what is the total cost of running the National Recovery Fund.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I assume the Member is referring to annual running costs such as administrative/overhead costs. To that extent, I would reply that in the last 15 months of the National Recovery Fund operation, \$250,000 has been spent in operational costs, or, on average, \$16,600 per month.

Based on funding income of \$10 million, running costs are therefore a modest 2.5 per cent; meaning that for every dollar raised, 97.5 cents goes on the building and construction effort.

Government has contributed 11 per cent of all funds, and the remaining 89 per cent has been derived from the private sector, individuals, businesses and foundations. This means that on a 15 month basis, therefore, the percentage contribution to running costs from Government has been approximately \$25,000, or less than \$20,000 on an annual basis.

The National Recovery Fund's running costs are minimised due to a number of in-kind contributions from the private sector that include expertise, that is, the Executive Director, whose salary is paid for by an anonymous private donor, office space, telephone services, vehicles, accounting, audit and treasury services. A new office facility is being made available by the National Trust from their former offices off Eastern Avenue, where they have a peppercorn lease from the Government. The National Recovery Fund also minimises running costs by utilising volunteers.

### Supplementaries

**The Speaker:** Are there any supplementaries? The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, is the Honourable Leader of Government Business saying that a quarter of a million dollars were expended, but he

does not have in his possession the actual effective amount? He said that it was a private donor who pays for the executive director's salary. That is not encapsulated in the \$250,000?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I do not have the information that the Member has requested. In other words, I would want to assume that it might be included, but I do not want to say that because I am not really 100 per cent sure. I could undertake to find it out for the Member.

**The Speaker:** Are there any further supplementaries? The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker. Is the Honourable Leader of Government Business saying that he does not have a breakdown for the \$250,000 referred to in the substantive answer?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** No, I do not.

I wish for the Second Elected Member from West Bay to appreciate the fact that the National Recovery Fund is not something I am directly responsible for, and that it does not answer to the Ministry. It is an NGO.

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

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

Can the Minister say whether (and this arises from his last answer) in fact he is answerable in the House for the hurricane recovery efforts?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** When it comes to Government's activities, certainly, I would be able to answer once I have time to get the information. But I repeat again, the National Recovery Fund is an NGO. His Excellency the Governor is the Chairman and, as has been prescribed in its functions, it is purposely not a part of Central Government.

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

**Hon. W. McKeeva Bush:** Madam Speaker, we all know what the Minister has said. The entire country knows that it is an NGO operating outside of Government, but somebody is answerable in Govern-

ment. Madam Speaker, he is saying that nobody is answerable in the House, but somebody has to have the information. The same way that he brought this answer then he must have knowledge of the operations or somebody is giving him the information. So someone has to have that information.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, if the Leader of the Opposition would recall what I answered just before he asked his supplementary, I did say that I would undertake to get the information for the Second Elected Member for West Bay. I just do not have it available at this time. That is all I said.

**The Speaker:** Are there any further supplementaries? The Second Elected Member for West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, for clarity, I understand how the National Recovery Fund has been structured, that is, with its own board of trustees and outside core Government. However, we have voted substantial public funds that have been injected into this entity. So I need to therefore understand how Government is holding the National Recovery Fund to account. We have to have some accountability for the public funds we are voting.

**The Speaker:** Honourable Leader of Government Business this question is a bit out of the ambit of the original question, but if you are in a position to answer it, please do.

**Hon. D. Kurt Tibbetts:** Madam Speaker, there will certainly never be any effort on my part to not give information.

**Hon. W. McKeeva Bush:** Oh really?

**Hon. D. Kurt Tibbetts:** I simply do not have the information that is being requested.

What the Member just asked about substantial contributions by the Government, if I am not mistaken, [I said] in a previous answer that of the \$10 million that has been recovered by the National Recovery Fund the Government has directly contributed 11 per cent. Therefore, if that is considered to be substantial, I will accept that. But the fact that I do not have the answers immediately available is only because there is no one present here today who has that information.

If the Member is insistent and you would wish to suspend, I will get the answer for what he is asking. He if gives me a list I will get all of them for him but I just do not have it now.

**The Speaker:** Are there any further supplementaries. If not we will move to question number 54, standing

in the name of the Second Elected Member for West Bay and addressed to the Honourable Leader of Government Business and Minister responsible for Housing.

#### Question No. 54

**No. 54: Mr. Rolston M. Anglin** asked the Honourable Leader of Government Business and Minister responsible for District Administration, Planning, Agriculture and Housing when does the Government anticipate ceasing contributions to the National Recovery Fund.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the Government has no plans to cease contributions to the National Recovery Fund.

As long as there is a need to, the Government will review to ensure that necessary and sufficient funds are being received by the Fund. Meanwhile it is hoped that the private sector will continue to generously support the Fund by providing cash and in-kind donations and that the Government's bid for financial aid from the European Commission will be successful. This aid will be used exclusively for the National Recovery Fund's efforts.

I know of a recent \$500,000 donation to the Fund and I understand that there is a \$1.25 million donation expected in the matter of days. The private sector including individuals, businesses and foundations have contributed 89 per cent of all funds, while Government has contributed 11 per cent of funds.

**The Speaker:** Are there any supplementaries? The Second Elected Member for the district of West Bay.

#### Supplementaries

**Mr. Rolston M. Anglin:** Given the answers the Honourable Leader of Government Business has provided thus far on this topic, can he give the estimated total cost to rebuild the homes that were mentioned before, the 100 homes and the 200 respectively and the 19 that is outstanding from the Government Grant System?

**The Speaker:** Honourable Second Elected Member for West Bay I would think that would be a substantive question, because the Honourable Leader of Government Business would not have those figures here based on the questions that you asked. If the Honourable Leader of Government Business is in a position to answer it or would undertake—the total cost to rebuild the 100 outstanding homes.

Second Elected Member for West Bay could you ask the question again so that it is clear for the Honourable Leader of Government Business to answer it if he is in a position to do so.

**Mr. Rolston M. Anglin:** Madam Speaker, there remains some 19 homes from the Government Housing Recovery Grant System, 100 that need to be completely rebuilt and 200 that require modest to major repairs. The question before us now asks when would Government anticipate ceasing contributions. The answer is when those 319 repairs are done. I am wondering what the cost of those repairs are anticipated to be.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** I do not know what the exact figure for the 19 homes is, but (as I mentioned in a previous answer) those 19 homes are already committed by the Housing Recovery Grant. So, while I do not have a breakdown of that, I do not think the Member has to think of those because the funding is already there and it is just the matter of getting it done. That is my understanding of that situation.

Of the 100 complete rebuilds, and the 200 that have varying stages of refurbishment to be done, I would only be wagering a guess, but let me say this to the Member—so that neither he nor his Leader [of the Opposition] will be talking about evading questions as if I know and do not answer—that in discussions with Mr. Laskin, while he did not have exact estimates, and the difficulty is that they have developed more than one model for the rebuilds . . . I am not sure if they have streamlined it down to just one model and there is no choice or whether it is a two or three bedroom, I do not have that information and it is with knowledge of that that we would know how much it would be, or at least a good estimate.

I am pretty confident that the total amount could be in excess of \$20 million. Again, I would advise the Second Elected Member for West Bay to nod his head and I will get the best information available from the Recovery Fund and pass it on to him.

**The Speaker:** Are there any further supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, the offers thus far by the Honourable Leader of Government Business to provide additional information are well appreciated and we look forward to receiving that in writing.

Can the Honourable Leader of Government Business give the total funding currently on hand by the National Recovery Fund?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I am not with that information and will have to add that to the list. That makes the third bit of information that I will provide the Member with.

**The Speaker:** I will allow one more supplementary.

If there are no further supplementaries I will move on to question number 55 standing in the name of the Second Elected Member for West Bay and addressed to the Honourable Minister responsible for the Ministry of Communications, Works and Infrastructure.

#### Question No. 55

**No. 55: Mr. Rolston M. Anglin** asked the Honourable Minister responsible for the Ministry of Communications, Works and Infrastructure what is Government's policy in regard to the sale of treated wastewater to the private sector for reuse.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, the Government does not have a policy in regard to the sale of treated wastewater to the private sector for reuse.

#### Supplementaries

**The Speaker:** Are there any supplementaries? The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Can the Honourable Minister say whether Government is going to create a policy for the sale of treated wastewater to the private sector for reuse?

**The Speaker:** Honourable Second Elected Member for West Bay I really do not know if the Honourable Minister can answer a supplementary on behalf of the Government before they take a decision. However, Honourable Minister, if you are in a position and you care to answer the question we will take the answer.

**Hon. V. Arden McLean:** Madam Speaker, yes, I will try to answer the Member's question.

The Water Authority recently completed the 2.5 million gallon wastewater treatment plant which treats wastewater generated along the sewer area of Seven Mile Beach. Whilst the Government recognises the importance of water reuse and the Water Authority is currently reviewing the economic feasibility of treating the effluent produced from the plant to a quality suitable for irrigation, when that is completed to the point where it is economically feasible and the quality is suitable for irrigation the Government will then look at determining whether or not we sell that water to the private sector.

I can also say that a local developer has approached the Water Authority who is considering using the treated effluent for irrigation and other purposes such as chilled water but at this stage Government does not have a policy on it.

**The Speaker:** Are there any further supplementaries? The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, the Minister just said that the Water Authority has been contacted by an entity within the private sector regarding access to treated wastewater. If that is the case, how is the Water Authority able to correspond with that particular entity if Government does not have a policy?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** I believe I said that the Water Authority had been approached by the developer. Since I have become Minister I can say that I have been approached by many potential developers and there is nothing wrong in corresponding with them. They have approached the Water Authority on the possibility of purchasing the water for reuse and irrigation, but the Water Authority does not believe that at the current treatment level (which they are conducting on the sewer water from the West Bay Beach) it is suitable for irrigation purposes at this time.

They are conducting a study to see what has to happen to get it to that point and at that time Government will make a decision as to whether or not it is resold.

**The Speaker:** Are there any further supplementaries? The Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, is Government going to do a policy on the matter?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, certainly, if it is economically feasible and possible to do so, of course Government will do it because it will defer some of the costs of running the sewer treatment plant. That is common sense; I would think that any government would take that on and with the innovative ways that this Government operates we will certainly look at it and see what needs to happen.

The Leader of the Government Business knows that I will take the torch and run with it—

**The Speaker:** I think you mean the Leader of the Opposition.

**Hon. V. Arden McLean:** Pardon me, Madam Speaker, the Leader of the Opposition . . .

**Hon. W. McKeeva Bush:** No, Madam Speaker—we know what he's thinking!

**Hon. V. Arden McLean:** *[Addressing the Hon. Leader of the Opposition]* Well, at least if I make him know it won't be like you—you don't make anyone know what you're thinking!

Whatever is necessary and if it is economical for us to treat that water to the point that it is reusable and will not affect the environment and the likes, then I will make a proposal to the Government to resell the water in particular along those golf courses here. It certainly will assist them with water use.

**The Speaker:** Are there any further supplementaries?

If not, the next question number 56 standing in the name of the Third Elected Member for George Town, is addressed to the Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing.

### Question No. 56

**No. 56: Ms. Lucille D. Seymour** asked the Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing to provide an update on the status of the proposed Builders Bill to licence and regulate building contractors.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the answer is, the Director of Planning, on behalf of the Builder's Board Committee, submitted the proposed draft bill to the Ministry on 17 February 2006. The draft contains 26 clauses and one (1) schedule and proposes to licence builders and contractors in one of (5) five categories, from General Contractor to the sub-trades. I propose to submit the draft bill to Cabinet in the next couple of weeks and then to this honourable House immediately thereafter.

**The Speaker:** Are there any supplementaries? Honourable Third Elected Member for George Town.

### Supplementaries

**Ms. Lucille D. Seymour:** Madam Speaker, can the Honourable Leader of Government Business say how long this piece of legislation has been mooted?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, for over twenty years there have been the discussions of such legislation. I do not know exactly why but, for whatever the reasons, the legislation has never been introduced. Shortly after last year's General Elections and assuming office I instructed my Permanent Secretary

to initiate a committee to submit a draft bill to my Ministry at the earliest opportunity.

The Committee commenced deliberations on 18 October 2005 and completed those deliberations on 2 February 2006 (roughly a six-month duration). Fortunately the Committee had access to earlier versions of the draft bill and this assisted them with their deliberations.

**The Speaker:** Are there any further supplementaries? The First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

I wonder if the Honourable Leader of Government Business could say which members make up the Builder's Board Committee?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the Committee is comprised of representatives from the Chamber of Commerce, Legislative Drafting, Employment Relations and the Chairman of the Trade and Business Board, Chairman of the Work Permit Board, the Chairman of the Central Planning Authority, the Chief Building Control Officer, The Assistant Chief Building Control Officer, the Director of the Public Works Department, the President of the Cayman Contractor's Association and the Director of Planning.

**The Speaker:** Are there any further supplementaries? The First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Would the Honourable Leader of Government Business inform the House how the residents of Cayman Brac and Little Cayman are able to make representation or comments to the Builder's Board Committee?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, one of the members of the Committee from the Employment Relations Department is from Cayman Brac and Little Cayman, and I am told that that person gave valuable input. Based on the question the Member is asking, I am happy (before making any recommendations to Cabinet) to visit and let the Cayman Brac population know that they will have a chance to discuss this Bill. I will have to forward the draft through District Administration to the Cayman Brac public. If the Member thinks that is in order at this time, all she has to do is let me know.

**The Speaker:** Are there any further supplementaries? The First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** The offer that was made by the Honourable Leader of Government Business is adequate.

Just for clarification, he said that one of the members was from Cayman Brac is it the case that the member is no longer a part of the team?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** No, Madam Speaker, it is just that the Team has completed its work and the recommendations have been made to the Ministry.

**The Speaker:** Are there any further supplementaries? The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, can the Honourable Leader of Government Business say whether or not (in this process of having the draft going to Cabinet and coming to the House) contractors will be met with so that they clearly understand which of the five categories they will be falling into given their current state of operations, and then be able to ensure that those persons are enabled to be able to continue the business that they are currently in and derive the economic gains that they are currently gaining?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, in December 2001 the Planning Department commenced a public awareness campaign to solicit input on the Builder's Bill and also the Architects Registration Bill (which are two separate pieces of legislation). The deadline was initially 31 January 2002 but this was subsequently extended until 15 April. At the end of the comment period there were two submissions from four entities on the Builder's Bill.

I mentioned the above simply to inform the House that there has been considerable opportunity for public input and comment. My information is that this draft contains all, or almost all, of the same provisions with the few additions to improve processes, authority and responsibilities of the Board and the contractors.

With regards information about the contractors, in speaking to the Director of Planning certainly there is a public relations exercise once we are satisfied that the Bill is ready to come to the Legislative Assembly and it has received approval from the Cabinet.

Just to also inform the Member, the way that the legislation will be crafted, the five categories of which individuals may be licensed at present. They will have ample time to ensure for their re-licensing when it comes to the annual fees that are paid to make sure that they are equipped to satisfy the requirements of that licence. I suspect that may have been part of the reason for the question.

**The Speaker:** Are there any further supplementaries? The Third Elected Member for the district of George Town.

**Ms. Lucille D. Seymour:** Thank you, Madam Speaker. Can the Honourable Minister say if this Bill would have any relationship with the architects and drafts persons and, if so, when will it be coming forward?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, certainly the Architects Bill is not as far on as the Builder's Bill, but while it is a separate piece of legislation, it is not something that is going to lag behind forever. I do not have a definite timeframe, but as soon as we are able to get beyond this one then we will certainly turn our minds towards that piece of legislation.

**The Speaker:** Are there any further supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker. Would the Honourable Minister say how many entities are currently out there that he envisions being licensed under this draft piece of legislation?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, when a former Member of this Legislative Assembly used to refer to me as "*all to all in the kingdom of everything*", I used to wonder what those expectations were. Now I fully understand!

I have to explain to the Second Elected Member for West Bay that I am not *all to all in the kingdom of everything*. I do not know that answer, but I can attempt to get the information to him.

**The Speaker:** The final supplementary. The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** I do not see the Honourable Leader of Government Business as *all to all in the kingdom of everything*. So let me lay his mind at ease and assure him of that. But I ask: what does he perceive happening with the entities that have been complained about for years in this country? As I un-



derstand it, the owners, the principals of the entities, do not have any skills or expertise in the construction field. What they do is simply form a company, get a number of work permits, and those persons are then sent on to jobs. The understanding that the Contractors Association came to the Immigration Board with a number of years ago, by way of allowing people to (for lack of a better phrase) float from job to job once a letter was provided by the incumbent employer.

**The Speaker:** Honourable Second Elected Member for the district of West Bay, I think that is a question that you can probably deal with in the Committee stage of the Bill, if you would like to see these amendments.

Honourable Leader of Government Business, are you in a position to answer that question?

**Hon. D. Kurt Tibbetts:** Madam Speaker, while the Second Elected Member for West Bay certainly allayed my fears about his expectations, he turned around in the same breath and asked the question, showing me that those are his expectations! I will try to find that answer and give it to him too.

[Laughter]

**The Speaker:** We will move on to question number 57, standing in the name of the Third Elected Member for George Town and addressed to the Honourable Minister responsible for the Ministry of Communications, Works and Infrastructure.

#### Question No. 57

**No. 57: Ms. Lucille D. Seymour** asked the Honourable Minister responsible for the Ministry of Communications, Works and Infrastructure if the Government has any plans to give the central business district in George Town, including Shedden Road, a facelift.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, in the 2005/06 approved Budget there is \$100,000 to produce a Central Business District Plan (George Town). A facelift or beautification plan for the Central Business District Plan is multi-jurisdictional. Insofar as roads are concerned, the Cayman Islands Government's contribution to the beautification efforts includes;

1. Resurfacing of Shedden Road from the waterfront to Dr Roy's Drive before the end of the FY05/06. This will include the re-engineering of the much maligned mini-roundabout between Royal Bank Building and Anderson Square Building.

2. Remarketing/brightening of all pedestrian crossings and line markings in the Central Business District.

3. Installation of new pedestrian (WALK / DON'T WALK) lights have just recently been added to the existing traffic signals at Fort Street and by the national museum.

4. Consideration is now being given to larger, more visible (perhaps internally illuminated) street name signs at major intersections throughout the downtown area.

Additionally ramps and curb cuts at the sidewalk roadway interface will be reviewed and new ramps and curb cuts will be installed where necessary.

Directional signs will be erected at street intersections. Decorative streetlights will be erected in strategic locations improving the visibility of the roadways and illumination in the downtown core and landscaping will be added to increase shading and improve aesthetics. Such landscaping will include hanging flower baskets, shrubbery and shade trees.

The Government buildings will be power washed and repainted as needed. Street furniture will be strategically placed throughout the downtown core to assist with seating, bicycle parking, litter collection and disposal. A regular programme of road sweeping will be instituted to augment the cleaning of sidewalks currently carried out by the private sector.

Further, plans are in the making to establish the position of Town Manager with a fully staffed office to oversee and co-ordinate with the private sector, the maintenance and aesthetic enhancements of the Central Business District.

#### Supplementaries

**The Speaker:** Are there any supplementaries? The Third Elected Member for George Town.

**Ms. Lucille D. Seymour:** Madam Speaker, can the Minister say what timeframe he envisages for this Town Manager to be in place?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

Please stop the crosstalk so that the Speaker can hear what the Minister is saying.

**Hon. V. Arden McLean:** Madam Speaker, it is my intention to propose to the Government, during this Budget that we establish this town manager. I have been an Elected Member here since 2000 and during all that time I was asking the Government to set up an office that would coordinate the maintenance in George Town and there were times when I referred to George Town as *the dirty place*, a place that people would not want to come to on the second visit. The objective is to have a town manager with a properly staffed office.

I will be proposing that during this Budget session to commence in the next financial year.

**The Speaker:** Are there any further supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, does the Minister envision this town manager perhaps coming from the civil service as it already stands?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, I have no position as to where this individual would come from but, certainly, it would have to be someone who has some knowledge and understanding of urban development and the likes, someone with the capability of coordinating projects, and the like. Someone of that nature is who I believe that person should be. I would like to think that we could find that person here in the Cayman Islands—unlike the Leader of the Opposition asking if he would be coming from England. I believe that we can find that person right here.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, I am glad to hear the Minister say that he can find them right here.

The Minister has outlined a long list of wishes, wants and, perhaps, needs—I do not know if George Town is as *dirty* as they say. I saw something erected on the Waterfront that was pretty bad but they certainly cannot blame that on me.

What will happen to the various departments of Government that are responsible for garbage collection, streetlights, and the various other departments of Government that have responsibility for up-keep of public open spaces? Does the Minister see this new position as embracing all those [departments] and having them under one responsibility?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, I will not blame the Leader of the Opposition or anyone else for anything. When it comes to the town manager, I envisage that there will be an office to coordinate these services as mentioned by the Leader of the Opposition. There are a number of places in George Town where I see every now and again that the garbage is piled up on the outside of the building. [This will be to] coordinate the Department of Environmental Health to ensure that garbage is collected, the painting of buildings. It will not necessarily come from the town manager's office, having staff there to paint government buildings, but to try and ensure that regular maintenance is done.

We may say that every other day we have to street sweep, but suppose in the middle of the night

something happens on the street, the town manager would see to it that the following morning (even though not a scheduled time to sweep) it would get done. We need to ensure that our visitors have a perfect experience when they step off those passenger liners and airlines.

I believe that George Town is unique in so many ways that, if we continue to make it the way it is, the uniqueness will be gone. The Town Clock and the Post Office need cleaning—those are the things we envisage the town manager will be doing.

**The Speaker:** I assume the town manager will keep the correct time on the Town Clock, right?

[laughter]

**The Speaker:** Are there any further supplementaries? The Third Elected Member for George Town.

**Ms. Lucille D. Seymour:** Madam Speaker, I would just say before asking the question that I was almost persuaded that the Honourable Minister who is from East End is surely a George Towner, he has such love for the country. I thank him very much for his vision in seeing that the business district of George Town needs some attention which it has not gotten.

My question to the Honourable Minister is, does he see the National Beautification Committee dovetailing with the town manager in terms of what they are doing?

**Hon. W. McKeeva Bush:** You're so right, Lucy, Alden and Kurt didn't do nothing.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Absolutely, Madam Speaker, it is all about dovetailing all the organisations to ensure that the country is kept clean. As a matter of fact, right now we are trying to support them in their efforts through the Department of Environmental Health because the National Beautification Committee has currently undertaken the cleanup of the country. I see the town manager having the same responsibly and coordinating in the same manner with the National Beautification Committee.

**The Speaker:** Last supplementary. The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, I hear a lot about dovetailing but I am still trying to figure out who is going to pay for this expensive dovetail.

I asked the question of whether or not he envisioned seeing this person already in the civil service trying to assist in us not having to incur more [costs]. As a reference, I cross the Northwest Point Cemetery every morning, there was an old gentleman who used

to clean that cemetery and two days ago I saw one gentleman in the Department of Environmental Health truck and four sitting down in the cemetery.

**The Speaker:** Please put your question forward.

**Mr. Rolston M. Anglin:** Does the Minister envision using current resources? We have a Caymanian gentleman that sweeps the streets in town—he has been doing it for years, and I think he does a good job. Does he envision current resources to be able to do this work?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, I believe the Second Elected Member for West Bay asked, who will pay for it. What I can say to the Opposition is “soon come.” During the Budget process you will understand how this is going to work. Trust me, we will utilise all that we currently have and enhance upon that. The cemetery in West Bay which the Second Elected Member spoke of will be cleaned. I have never set out to do something that I did not think about long before. However, when the Budget comes the Opposition will see clearly how we intend utilising the current resources we have.

Yes, I see a gentleman in George Town that cleans the street, and he does a good job with what he is capable of doing. But if we go in the middle of George Town right now I would venture to say that we have at least ten tonnes of sand scattered all over George Town that has not been swept although the litter has been picked up. We need to have the streets as clean as possible and maintained in that manner that is what I hope we will have in the middle of George Town in the future.

**The Speaker:** Question number 58, standing in the name of the Third Elected Member for Bodden Town is addressed to the Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing.

#### Question No. 58

**No. 58: Mr. Osbourne V. Bodden** asked the Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing what is the status of pending planning appeals and what measures, if any, are being taken to streamline and/or improve the planning appeals process.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the Governor-in-Cabinet has recently appointed six (6) addi-

tional Deputy Chairmen to the Tribunal, for a total of 7 Deputies in addition to the Chair and 7 lay members. Already the Chair has met with all 7 deputies to chart the Tribunal's course for the next few months. The Chair intends to have a fixed weekly day for planning appeals hearings until the backlog is cleared. In addition, the Chair has developed Tribunal protocols for various subjects including protocols submission requirements and timeframes for issuing judgements and written reasons. Of course, any such guidelines and protocols will be made available to the public.

I understand that these plans are all well underway and with Ministry assistance, hearing dates are being fixed almost as I speak. The Chairman has even offered to convene a Committee that would provide input into revising planning laws and regulations to assist with the appeals process.

Madam Speaker, I am extremely grateful for the Chairman's proactive work here, as well as all Planning Appeals Tribunal members, and the time they dedicate to such a time-consuming process. I congratulate the Chairman and the Tribunal for all their efforts and compliment the Tribunal on their integrity and willingness to apply such professionalism and rigour in their review of Central Planning Authority decisions under appeal.

#### Supplementaries

**The Speaker:** Are there any supplementaries? Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Could the Leader of Government Business say how many planning appeals are pending? Also, would he say when those appeals originated?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** As of the 24<sup>th</sup> February 2006 there were 23 pending planning appeals. Twenty of those are ready for the tribunal to convene a hearing and dates are being set. The remaining matters are at various stages in the process but not yet ready to be heard (that is, the other three). These pending appeals vary in their dates, but I am not in a position to say exactly when they originated.

**The Speaker:** Are there any further supplementaries? Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Madam Speaker, could the Leader of Government Business say how long it will take to clear these matters that are ready for hearing?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, based on the Chairman's projections and the ability to hear a few matters concurrently (thanks to the addition of the deputy chairperson), these matters are anticipated to all be heard by the end of May.

**The Speaker:** Are there any further supplementaries?

If not we move on to the next question, number 59, standing in the name of the Third Elected Member for Bodden Town addressed to the Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing.

### Question No. 59

**No. 59: Mr. Osbourne V. Bodden** asked the Honourable Leader of Government Business to provide an update on the condition of the affordable homes built by the National Housing and Community Development Trust during the previous Government administration.

**The Speaker:** Honourable Leader of Government Business and Minister responsible for Housing.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the first occupants moved into these homes in December 2004, which is just two years ago. Since then the Maintenance staff of the National Housing and Community Development Trust have been kept very busy with the various repairs and the replacement of material used in the construction of these homes. The Maintenance Manager has tried to find spare parts for these homes locally and in Cuba, but has not been able to do so. Since the remaining 68 homes have not been built, some of the material that was able to be salvaged after the Hurricane that would have been used for the construction of the other homes is now being used as spare parts for repairing the existing homes.

Some of the problems that have been reported are as follows:

a) The cupboards in the kitchen have been falling off the walls since the wall is not sturdy enough to hold as much weight as the cupboard weigh.

b) In the same token the shelves in the clothes closet have been breaking down because it has been discovered that there is only a very thin wire that is holding the fixtures and ceiling to the roof of the house.

c) There have been many incidents of pipes breaking whereby the seals on the pipes no longer work and the seals for the pipe valve comes apart and causes much flooding. These parts have been totally replaced. In fact the Maintenance Manager is in the process of replacing all of the valves in the kitchen sinks, bathroom basins, showers and tubs, which is expected to cost approximately \$32,000 for material only.

d) Another incident being the sewer system.

When flushing the toilet there has been water coming up into the kitchen.

There are many more incidents that can be mentioned but it would mean that it would take up a lot of our time today. I am sure that there will be continuous repairs to these homes over their short expected life of approximately 10 years, that is, with constant repair. The material used in the construction of these homes has begun to deteriorate at an even more rapid pace since the hurricane.

### Supplementaries

**The Speaker:** Are there any supplementaries? The Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Madam Speaker, I wonder whether or not it is possible to substitute material that is normally used in Cayman for some of these repairs?

**The Speaker:** Honourable Leader of Government Business and Minister responsible for Housing.

**Hon. D. Kurt Tibbetts:** For the most part no, hence the reason of looking overseas to find some of the spare parts. Not wishing to cheapen the value of the homes, because there are decent people who have been living in these homes, and we are doing everything we can to assist with regard to keeping the quality of the homes to a certain level, it is compared to getting certain types of vehicles on Island and having no entity which sells the spare parts. By and large, the answer is that it is very difficult, if at all possible, to acquire any of these parts.

**The Speaker:** Are there any further supplementaries? The Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Madam Speaker, I take the question a little further by asking the Honourable Leader of Government Business whether or not it is possible to remove an original toilet and replace it with a traditional toilet. Is that type of repair possible?

**The Speaker:** Honourable Leader of Government Business and Minister responsible for Housing.

**Hon. D. Kurt Tibbetts:** Because the fittings are so different even that exercise is not able to be done.

**The Speaker:** Are there any further supplementaries? The Third Elected Member for the district of George Town.

**Ms. Lucille D. Seymour:** Madam Speaker, I wonder if the Minister of Housing could say whether or not there have been complaints about the lack of airflow in the

buildings and, if so, can anything be done like erecting an air-conditioner to ensure that the place is cooler?

**The Speaker:** Honourable Leader of Government Business and Minister responsible for Housing.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the homes are not air-conditioned, and they are not insulated properly, hence the complaints about the heat. If the Third Elected Member for George Town is suggesting for the Trust to take on the job of air-conditioning the homes, I believe that is a task beyond the ability of the Trust. Unfortunately, I am much afraid that any relief in that direction would have to be by the owners.

Suffice it to say that, while a new project has not physically been started, the many reasons have been discussed today are part and parcel of the whole reasoning to ensure that we get it right. As we move forward we will have learnt from these experiences.

**The Speaker:** Are there any further supplementaries? The Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Madam Speaker, I wonder if the Leader of Government Business can speak to another complaint that I have heard about, in that, although they have prepared wheelchair ramps around the homes, there is difficulty manoeuvring the wheelchairs on the inside of the buildings.

**The Speaker:** Honourable Leader of Government Business and Minister responsible for Housing.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I am making a presumption here because I personally have not heard any complaints, but I am almost with certainty that any complaints regarding the manoeuvrability of wheelchairs in the homes will be because of the small size of the corridors and the entranceways and the wheelchair occupants not having the ability to move left or right.

**The Speaker:** Are there any further supplementaries? The Third Elected Member for the district of Bodden Town and this will be the final supplementary.

**Mr. Osbourne V. Bodden:** Could the Leader of Government Business say how many homes are currently occupied.

**The Speaker:** Honourable Leader of Government Business and Minister responsible for Housing.

**Hon. D. Kurt Tibbetts:** All sixty-nine homes in West Bay have been fully allocated. All ten homes in Windsor Park are fully occupied, and at the Eastern Avenue project there are thirteen homes, eleven of the homes are occupied while one has been assigned to the Bonaventure Home as a halfway home for some

of the children there to be supervised. The last home is to be assigned to a family shortly.

**The Speaker:** We move on to the next question, number 60, standing in the name of The Third Elected Member for Bodden Town.

#### Question No. 60

**No. 60: Mr. Osbourne V. Bodden** asked the Honourable Minister responsible for the Ministry of Communications, Works and Infrastructure what is Government's policy in relation to a second main road from Frank Sound to Prospect.

**The Speaker:** Honourable Minister responsible for the Ministry of Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, the Government is committed to the development of a second main road from Frank Sound to Prospect. This will, in due course, become the main East/West Arterial. The National Roads Authority has for some time had the plans for a designated second main corridor between Frank Sound and Red Bay. On 3 May 2005 this corridor was gazetted via the Roads Law (section 25) for the purpose of officially defining the corridor as a planned road in relation to amendments to the Development and Planning Law.

The corridor has been more commonly referred to as the East-West Arterial or Central Highway. The corridor is to be constructed from west to east with road construction phased in manageable 1 to 2 mile segments. Based on population and traffic growth demand, the section between Hirst Road (Newlands) and Red Bay is deemed as the most important first phase of the East-West Arterial. It is anticipated that this first phase (approx 1.5 miles) of the corridor will be gazetted via section 3 of the Roads Law as early as FY05/06, and constructed during the financial year 06/07.

Development of the East-West Arterial in the Pease Bay and Breakers area has been discussed by previous governments due to the potential of opening interior lands for development. Discussions on potential major road developments and proposed national projects in the Eastern Districts further served to make development of the East-West Arterial starting from the Frank Sound area a viable consideration.

However, conventional wisdom and indeed the considerable traffic congestion woes currently experienced from the Savannah Newlands area westward strongly suggest that the development of the corridor between Savannah and Red Bay is undoubtedly the most critical phase at present.

#### Supplementaries

**The Speaker:** Are there any supplementaries? Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Bodden:** I note that the Minister said construction will start in the financial year 06/07, could I ask if he has a specific timeline.

**The Speaker:** Honourable Minister responsible for the Ministry of Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, subject to the Budget being approved in this honourable House, and Government accepting my proposal on the costing and building of that 1.5 miles between Hirst Rd. and Prospect, and getting the assistance from the Opposition when we bring the Budget here in May, we will commence that as soon as the new fiscal year comes into being (that is, 1 July, or thereabouts). As soon as we finish the Esterley Tibbetts Highway we will move everything eastward and commence that road.

**The Speaker:** Are there any further supplementaries? First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Madam Speaker, would the Honourable Minister give an undertaking to look at the feasibility of connecting North Side proper into this arterial road from Frank Sound to Prospect, perhaps from the Hutland area to shorten the [travel] time for residents.

**The Speaker:** Honourable Minister responsible for the Ministry of Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** The East/West corridor, as gazetted under section 25, makes provisions for a connector road to come out in the vicinity of the Apollo 11 or somewhere about—

**The Speaker:** Behind the Fire station, Honourable Minister, is the projected one. There was one projected to come through the Hutland but, when it was proposed, the people of that area did not want it.

**Hon. V. Arden McLean:** The main one will come just south of the Fire station, and go straight from the Queens Highway fairly close to the new school that the Minister of Education will be building shortly. It was also proposed to have a connector road to that from Hutland to the Pease Bay area.

It is hoped that we will revisit that in order that the residents of North Side will not have to come to Frank Sound to connect into another parallel highway.

Because of the need to get the one from Hirst Road done immediately, that is what we will work on in the next fiscal year. It is hoped that we will work on

the Frank Sound Road in the not-too-distant future over the next two-to-four years.

**The Speaker:** Are there any further supplementaries? If not I will revert to Presentation of Papers and of Reports, now that the Honourable Minister responsible for the Complaints Commissioner is available.

## PRESENTATION OF PAPERS AND OF REPORTS

### First Annual Report of the Office of the Complaints Commissioner addressing a portion of the Fiscal Year July 2004 – June 2005

**Hon. Alden M McLaughlin, Jr:** Madam Speaker, I beg to lay on the Table of this honourable House the First Annual Report of the Office of the Complaints Commissioner addressing a portion of the Fiscal Year July 2004 – June 2005.

**The Speaker:** So ordered.

Does the Honourable Minister wish to speak thereto?

**Hon. Alden M McLaughlin, Jr:** No, Madam Speaker.

**The Speaker:** The Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture and Chairman of the Committee to oversee the Complaints Commissioners Department.

### Department of Immigration English Skills Test – Own Motion Investigation Report 3 prepared by the Complaints Commissioner

**Hon. Alden M McLaughlin, Jr:** Madam Speaker, I beg to lay on the Table of this honourable House the Own Motion Investigation Report 3 prepared by the Complaints Commissioner 10 February 2006 entitled Department of Immigration English Skills Test.

**The Speaker:** So ordered.

Does the Honourable Minister wish to speak thereto?

**Hon. Alden M McLaughlin, Jr:** Just to say that, having been laid on the Table of this honourable House, they are now both public documents and are available for general consideration.

**The Speaker:** Proceedings will be suspended until 2.30 pm.

**Proceedings suspended at 1.16 pm**

**Proceedings resumed at 2.30 pm**

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

## STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

**The Speaker:** I have notice of a statement to be given by the Honourable Minister responsible for Tourism.

### Response to Article Regarding Proposed West Bay Cruise Dock in the 13 January 2006 Issue of Cayman Net News

**Hon. Charles E. Clifford:** Madam Speaker, an article regarding the proposed West Bay Cruise Dock, titled "West Bayers Feel Cheated—Bush" appeared in the Friday, 13 January 2006, issue of Cayman Net News. There were a number of statements made in the article attributed to the Leader of the Opposition that must be addressed lest the public will, once again, be misled by the careless rhetoric from the Opposition.

Madam Speaker, by way of background let me say that on 29 July 2005, I announced this Government's decision not to proceed with the proposed West Bay Cruise Dock. In that statement I outlined a number of reasons why we had taken that decision. I advised this honourable House that following further consultations with our key stakeholders, including the Florida Caribbean Cruise Association, our transportation sector and merchants, we had reached the decision that the priority for port development at this time is to further enhance our port facilities in George Town at the Royal Watler Cruise Terminal, and to upgrade the existing North Terminal to create more capacity and a better experience for passengers.

The second priority is to upgrade and enhance our port facilities at Spotts, which is our only alternate port facility. The third priority would be the provision of staging areas for some pre-booked tours at other locations such as West Bay. However, the Florida Caribbean Cruise Association advised that such proposed staging areas are not a necessity and, in any event, are only feasible after we have adequate facilities at our main port in George Town.

Given the priorities I have just outlined, I advised that we had taken the decision not to pursue the proposal for a West Bay cruise facility.

Madam Speaker, that decision still stands and will not change. But, as I said earlier, the statements attributed to the Leader of the Opposition in the referenced article must be addressed so that the public is not misled.

Madam Speaker the article says, and I quote, "**Mr. Bush also strongly objected to the Spotts dock, which is on the south coast, noting that it did not have the blessings of the Department of Environment.**"

The article goes on to quote the Leader of the Opposition when he said, "**I object to moving to the Spotts dock because we had problems with it and the Department of Environment didn't support the dock.**"

Madam Speaker I have to confess that I had competing views about this statement because I was concerned, first of all, that it was mischievous; but I was at the same time intrigued by the prospect that the Leader of the Opposition may have suddenly become a born-again environmentalist.

Madam Speaker, we have not yet outlined our proposals for the Spotts Dock. It is presumptuous, at best, for the Leader of the Opposition to conclude that the Department of Environment would object to it when we have yet to outline the details of the work. Madam Speaker, what I can say is that we do not intend to do any significant marine work in that area and the focus will be on improving the facilities on shore and better organising the traffic flow and public transport system in the vicinity.

I must remind the Leader of the Opposition again that the Spotts Dock is the only alternate port facility on this island. Madam Speaker, had he been allowed to proceed with the proposed West Bay dock, the country would have still been stuck with a sub-standard alternate dock at Spotts, given that the proposed West Bay location is on the west side of the island—like the George Town Harbour—and would be unusable as well during inclement weather on that side of the Island.

Madam Speaker the article goes on to say, and I quote, "**Mr. Bush said if the Turtle Farm, a well-known tourist attraction, fails, it could be placed squarely at the feet of the Government.**"

The article then proceeds to quote the Leader of the Opposition when he said, "**We had decided to develop the Turtle Farm, so we wanted to get the cruise passengers closer to the Turtle Farm to ensure its success. The Government would have some liability if the Turtle Farm fails.**"

Madam Speaker when the Leader of the Opposition made that statement he was certainly aware that it was a misleading statement because he knew that the cruise ships would not be coming to West Bay. He knew that the ships would remain in the George Town Harbour and that those passengers who had tours in West Bay would have to first assemble on the George Town dock—

**Hon. W. McKeever Bush:** Not true!

**Hon. Charles E. Clifford:** —and then be ferried to the West Bay dock, a very cumbersome process—

### Point of Order

**Hon. W. McKeever Bush:** Madam Speaker, on a point of order.

I do not know how you want to treat this, Madam Speaker. I can ask a question later, or you can allow me a statement, but the Minister is misleading this House because there was no decision made when that would happen!

**The Speaker:** Honourable Leader of the Opposition you have the right, under Standing Order 32, to ask a short question at the discretion of the Chair. So Honourable Minister of Tourism, please continue with your statement.

**Hon. W. McKeeva Bush:** *[addressing the Minister of Tourism]* You're telling a dirty lie!

**Hon. Charles E. Clifford:** Thank you, Madam Speaker. To repeat, he knew that the ships would remain in the George Town Harbour—

**Hon. W. McKeeva Bush:** Madam Speaker, the Member is misleading the House and that is my complaint under the Standing Orders!

**The Speaker:** Honourable Member, there is no point of order in the Standing Orders of this Parliament that refers to misleading. We must move away from this point of order of misleading. If Members are not allowed to have freedom of speech in this Chamber without having to prove every point they are making, well, then, we will have no Parliament.

Honourable Minister of Tourism please continue with your statement.

**Hon. W. McKeeva Bush:** *[addressing the Minister of Tourism]* Telling lies!

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

To repeat again: he knew that the ships would remain in the George Town Harbour and that those passengers who had tours in West Bay would have to first assemble on the George Town dock and then be ferried to the West Bay dock, a very cumbersome process that could arguably take much longer than transporting them by taxis and tour buses. Moreover, that proposal would have significantly reduced the income of taxi and tour bus operators.

Madam Speaker, the Leader of the Opposition certainly knew that nowhere in the Feasibility Study for the Cayman Turtle Farm/Boatswain Beach project is there any mention of a cruise ship dock and that the Turtle Farm Board's decision—under his Chairmanship—to proceed with the project had nothing to do with a cruise ship dock in West Bay.

Madam Speaker, I challenge the Leader of the Opposition to show this country where in the Feasibility Study for the Cayman Turtle Farm/Boatswain Beach project is there any mention of a cruise ship dock.

Finally, Madam Speaker, I take this opportunity to put the Leader of the Opposition on notice that he will not be allowed to mislead the public, so he should be more judicious with his future public utterances.

I thank you, Madam Speaker.

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

**Hon. W. McKeeva Bush:** Madam Speaker, I would like to get a copy of the statement, because I did not get it, and I will make a statement with your permission—I hope I can do that—

**The Speaker:** Honourable Leader of the Opposition, it is as if you are challenging the Chair. If you would like to make a personal explanation at some point between two items of business then you can discuss that with me as the person sitting in the Chair and we will make a decision.

Right now, under Standing Order 30(2) you have the right to ask, as it states, "**No debate may arise on such a statement but the Presiding Officer may, in his discretion, allow short questions to be put to the Member making the statement for the purpose of clarification.**"

I will accept short questions from you, Honourable Leader of the Opposition, for the purpose of clarification for the Minister of Tourism.

**Hon. W. McKeeva Bush:** Madam Speaker, there is no use of me asking a question because the truth will not be told.

I am saying to you, without disagreeing with you—because I have not disagreed with you and I do not know how you could come to that conclusion—I am saying, and I am begging of you (if I have to do that I will get down on my knees) to say, look I need to reply to this. I will do that if you will allow me—if you want to call it personal or otherwise—a statement at the end of today's Sitting.

**The Speaker:** Honourable Leader of the Opposition, under the Standing Orders the only thing you are allowed to do is a personal explanation. I do not require any Member of this Parliament to bow and ask me to allow them to do something which is allowed under the laws that govern the procedure of this Parliament.

I must say that I will not sit in this Chair and allow any Member—whether it be Government or Opposition—to shout at me as the person who is sitting in this Chair.

Madam Clerk.

**Hon. W. McKeeva Bush:** Madam Speaker, I have asked for a personal explanation at the end of the day.

**The Speaker:** I have told you, Honourable Leader of the Opposition, that you are allowed to make a per-



sonal explanation between two points of business (as you know the Standing Order), upon the adjournment before the question is put.

**Hon. W. McKeever Bush:** I just want to make sure that I am going to get that opportunity.

**The Speaker:** You have every opportunity of anything that exists in these procedures. It will be extended to any Member of this Parliament.

Madam Clerk.

## GOVERNMENT BUSINESS

### BILLS

#### FIRST READING

##### <sup>1</sup>The Notaries Public (Amendment) Bill, 2006 [2005]

**The Clerk:** The Notaries Public (Amendment) Bill, 2006 [2005].

**The Speaker:** The Bill is deemed to have been read a first time and is set down for the Second Reading.

Honourable Member please give me a minute. I do not know what has happened to the lights over this desk but I can hardly see anything at this time.

Proceedings will be suspended for five minutes until the Serjeant has time to check the lighting. I think we can remain seated.

**Proceedings suspended at 2.45 pm**

**Proceedings resumed at 2.52 pm**

**The Speaker:** Proceedings are resumed.

##### The Succession (Amendment) Bill 2006

**The Clerk:** The Succession (Amendment) Bill, 2006.

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

#### SECOND READING

##### The Notaries Public (Amendment) Bill 2006 [2005]

**The Clerk:** The Notaries Public (Amendment) Bill, 2006 [2005].

**The Speaker:** Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** I beg to move the second reading of a Bill entitled The Notaries Public (Amendment) Bill 2006 [2005].

**The Speaker:** The motion has been duly moved and is now open for debate. Does the Honourable Member wish to speak thereto?

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

The Bill that is now before this honourable House seeks to amend The Notaries Public Law (2004 Revision), which I shall refer to as the principal Law. The Bill consists of two clauses. If this Bill is passed, clause 1 provides that the name of the Law shall be The Notaries Public (Amendment) Law, 2006. Clause 2 of the Bill would amend section 7 of the principal Law.

Madam Speaker with your kind permission and approval, I have given notice in writing of an intended Committee stage amendment that will affect clause 2 of the Bill. The proposed amendment has been circulated to all honourable Members.

The principal Law specifies two different fee levels that notaries must pay Government.

Section 4 of the principal Law states that upon a person becoming a notary, a fee of five hundred dollars is payable for that first year; and

Section 7 of the principal Law specifies that for each year thereafter, the notary must pay an annual fee of two hundred and fifty dollars.

The purpose of this Bill is to seek the Legislative Assembly's approval for the annual fee of two hundred and fifty dollars to be increased to five hundred dollars. This would be the effect of clause 2 of the Bill, if the Bill were passed.

Madam Speaker, there are several reasons for the proposed amendment to the annual fee that notaries are required to pay Government. The annual fee was last amended over four years ago—in December 2001. Hence, this one reason for updating the fee. Another reason for the proposed amendment is to equalise the \$250 annual fee payable by an existing notary with the \$500 fee that a person would have to pay for the first year as a notary. Such a difference seems to be inherently unfair: an existing notary only has to receive \$250 of fee income from the public in order to cover the annual fee payable to Government whereas in the first year as a notary, such a person would require a fee income of \$500 to cover the fee payable to Government. This Bill would remove that differential.

A third reason for the proposed amendment is to bring symmetry with existing Laws. As an example, under The Trade and Business Licensing Law, there are no distinctions between the initial fee and the annual fee in respect of amounts payable to Government by accountants, architects, engineers, surveyors and computer specialists—there is simply one single fee. The practical effect of this Bill would be to create a

<sup>1</sup> See Hon. Second Official Members' comments regarding name of Bill on page 581

single fee, since the initial and annual fee would be the same—\$500.

Madam Speaker, the fee-rates that notaries can charge for the services they render to the public are defined in the Fifth Schedule to the principal Law.

This Bill does not amend that Schedule and therefore the public will not have to pay increased fees for the services received from notaries.

Madam Speaker, I therefore commend The Notaries Public (Amendment) Bill 2006 [2005] to this honourable House for passage.

Thank you, Madam Speaker.

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

**Hon. W. McKeever Bush:** Madam Speaker, while we support the amendment reluctantly, \$500 is not a huge amount in today's world. I am loath to agree to any kind of fees in the present environment, as I have in the past. While we reluctantly will support the amendment, we feel that there are more substantive amendments that are needed to maintain the quality and integrity of the Law and the notaries who administer or subscribe to the Law.

All these many years we have had good practitioners, and adherence to the Notaries Law. The Government should examine the Law and practices used.

Madam Speaker, I lay on the Table, a document signed by a Notary, none other than the political analyst of the Leader of Government Business which, in my opinion, purports to be an affidavit to be sworn by three persons, that is (and I read from the affidavit), Kurt Tibbetts, Alfonso Wright (that is the Leader of Government Business and the Fourth Elected Member from George Town), and a third party whom I do not need to read, but whose signature does not appear on the document. I will lay it on the Table of the House.

**The Speaker:** Honourable Leader of the Opposition, I ask that you take your seat.

We are debating an amendment to the Notaries Bill of the annual fees. Where does this particular affidavit fit in to this debate?

**Hon. W. McKeever Bush:** Madam Speaker, the affidavit is a sworn document by a notary. I have made a point that we need to look at the wider ambit of the Law. I should not quote it unless I have the document, and I have the document, and therefore, that is why I was quoting the document.

**The Speaker:** That is not my question, Honourable Leader of the Opposition. If you want to deal with the character and otherwise of a notary public I would suggest that come in a substantive motion—

**Hon. W. McKeever Bush:** No!

**The Speaker:** —asking for those amendments to the Notary Public Law, because there is nothing by a notary public signing an affidavit has anything to do with the increasing of fees.

**Hon. W. McKeever Bush:** Yes! Everything, in my opinion!

It is my opinion that the act by a notary is not proper and, thereby, I took the opportunity to say that we hope a review of the Law or guidelines or a code of ethics would be established to assist in the prevention of such happenings. That is what I am saying.

I believe that in the normal parliamentary procedure on debate that could be allowed, but if you say that I must not lay it, Madam Speaker, I will not.

**The Speaker:** Honourable Leader of the Opposition, I am not saying any such thing. I am saying I do not see how it can fit into the merits and principles of this piece of amending legislation.

If you would like to bring a motion to this House asking for the Notaries Public Law to be amended, and then you debate there what you are debating now and lay it, there is no problem with that parliamentary procedure.

**Hon. W. McKeever Bush:** Madam Speaker, you have already warned, and I am not going to get into any fuss with you. I think you are wrong. In my opinion, I think I am correct in doing what I am doing, and I have seen it done many, many times because I have not gone far from the debate—I am talking about the act of a notary public and we are here increasing fees for a notary public to do those acts.

Madam Speaker, if you say no then I will not but I feel—

**The Speaker:** The debate must be based on what is before us.

**Hon. W. McKeever Bush:** Madam Speaker, I must tell you here that I do feel that I cannot carry out my responsibilities to the exact nature of what it should be and that my work is being abridged in this House. I will stop there.

I end my debate.

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

Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, the Notaries Public (Amendment) Bill is merely increasing the fees that a notary public (he who applies and is approved by Cabinet) has to pay to remain one.

I just heard the Leader of the Opposition trying to lay on the Table of this honourable House a document that was signed by a notary public, trying to

infer that that notary public's behaviour is such that the Government has to look at other areas of the Law. I am not saying that some notary publics are not of that nature that we may need to look at ways of amending the Law to ensure that they stay within the guidelines.

**The Speaker:** Honourable Minister, I would prefer that you keep your debate to the amendment that is before this House.

**Hon. V. Arden McLean:** Madam Speaker, I bow to your ruling. I believe that notary publics can recover the monies that they have to pay and they charge so they recover that money for notarising documents.

As I understand it, a notary public does not necessarily swear to the fact that an affidavit or document he is signing is true and correct. He merely signs saying that the persons appeared before him and signed that document—

**Hon. W. McKeeva Bush:** Madam Speaker!

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

**Hon. W. McKeeva Bush:** Madam Speaker, I was not allowed to debate this matter and now the Minister is going through a debate. I hope that the Chair would recognise that the Minister is not debating the fee.

**The Speaker:** Honourable Minister I have asked you to keep your debate to the Bill.

**Hon. V. Arden McLean:** I am, Madam Speaker. I do not know what bee the Leader of the Opposition has in his little bonnet today, but he needs to understand that I am saying that a notary public, as I understand it, signs a document—

#### Point of Order

**Hon. W. McKeeva Bush:** Madam Speaker, I rise on a point of order. The Minister is still continuing to debate that point, and I was stopped!

**The Speaker:** Would both Members please take their seats?

If any Member in this House wishes to debate what a Notary Public is and is not supposed to do, would they bring a motion asking for the amendment of the Notary Public legislation and expand on what a notary public is supposed to do?

This amendment is dealing with the increase in fees. Can we debate the amendment that is before us?

**Hon. V. Arden McLean:** Madam Speaker, that is exactly what I am trying to do, but the Leader of the Opposition seems to think that his are the only feet in this parliament and he must give other people a right

to debate in here! I have the same right he has to debate.

**The Speaker:** Please continue with your debate.

**Hon. V. Arden McLean:** I was saying that, as I understand it, a notary public signs the document for pay—

Madam Speaker, it looks like the Leader of the Opposition wants to get up. Tell him to get up again. I will give way for him if he is anxious to get up.

**The Speaker:** Honourable Minister, I will call upon any Member who I feel wants to make a point of order. Other than that, I would ask you to continue with your debate.

**Hon. V. Arden McLean:** Madam Speaker, as I was saying, notary publics sign documents merely to say that a person or persons appeared before them. They charge a fee for such services and \$500 is not that high that they cannot recover it, particularly within a year. I think it is reasonable that this be doubled from \$250 to \$500. I hope that the Leader of the Opposition realises that is what I was trying to say until he rudely interrupted me. He must sit and wait.

I want to go on record as supporting the increase from \$250 to \$500. Madam Speaker, I know there is an amendment to the Bill, and at Committee stage we will be able to debate that.

I support the Bill because it is a small price for notary publics who merely attest to the fact that the person or persons appeared before them and not for them to say whether the document is correct or not.

**The Speaker:** Does any other Member wish to speak? Second Elected Member for the district of Cayman Brac and Little Cayman.

**Mr. Moses I. Kirkconnell:** Madam Speaker, I trust that my short contribution will be less controversial than the last two speakers. I rise to speak to the Notary Public (Amendment) Bill 2006 [2005], for a law to increase the annual fees payable by notaries public.

My contribution is short, but important, to the constituents of Cayman Brac and Little Cayman whom I represent and with whom I have consulted on this matter. To my knowledge there are only four notary publics in Cayman Brac and Little Cayman, Miss Laverne Bodden, Mr. Garston Grant, Miss Sandra Solomon, and Mr. Audley Scott. Most of their work is considered community service. It is sometimes done for free or at a reduced charge to the persons requiring their services.

These are private individuals and not large profitable corporations or companies, as is the cases in Grand Cayman. Therefore, if this Bill is passed in its present form, those notaries on Cayman Brac and Little Cayman would have to face the annual fee that

they would have no hope of recouping for their services.

It is also possible that they may make the decision not to renew their licences. If that were to happen it would disenfranchise the citizens of Cayman Brac and Little Cayman and they would have to take a plane to Grand Cayman to have notary work done. It is for that reason that as I see the notice of Committee stage amendment I commend the Third Official Member, the Honourable Financial Secretary, for his thought and consideration in looking at Cayman Brac and Little Cayman. The amendment will ask that in the case of a notary public resident in Cayman Brac or Little Cayman the sum of \$250 be charged which I support and think is fair.

I also support the Government's position to increase revenue in this case. While it is prudent and sound fiscal reasonability that we do so, I consider it a reasonable request and, again, commend the Honourable Third Official Member in keeping with the spirit of renewing the economy of Cayman Brac and Little Cayman.

Thank you for the time, Madam Speaker.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? The First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. Please allow me to make a very brief contribution on the Bill which is before the honourable House, a bill for a law to increase the annual fees payable by a notary public.

Had it not been for the notice of the amendment, I would, perhaps, find myself in a position this afternoon of not supporting. I am happy that, in keeping with the PPM Manifesto of embracing Cayman Brac and Little Cayman, it was seen fit (albeit by way of a circuitous route) for an amendment to bring it.

Madam Speaker, the economy on Cayman Brac has been struggling from time immemorial, hence the reason for, not only this Government but other governments from the early 1990s, even when you were a part of the Government they saw fit to make a policy decision as it related to numerous fees for a reduction so that they would serve by way of an economic stimulus and catalyst for business on the Brac.

I am happy that the Government took it on-board to coincide with their policy, whereby, once we get the Committee stage, I would have no problem in supporting the entire Bill. I wish that perhaps the policy would be extended to the eastern districts which are in a similar economic position as myself, but I am sure that the Government considered that and for whatever reason found it not possible to so do.

I would seek at Committee stage to introduce it because there is a majority from that section. I am sure that they would give it some degree of consid-

eration as those districts, especially the districts of Bodden Town, East End and North Side (where it is part of the policy to increase the economic activity there, and which I fully concur with) that perhaps some consideration could also be given because the amount of the notary publics there are also insignificant in some districts perhaps even less than what we have on Cayman Brac.

Madam Speaker, with the anticipated amendment I take pleasure in supporting the Bill as the end result would mean the status quo would remain for my constituents of Cayman Brac and Little Cayman.

I thank the Leader of Government Business and, indeed, the Honourable Third Official Member and his colleagues for so considering.

**The Speaker:** Does any other Member wish to speak? The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, there is a relatively small number of notaries in Cayman relative to many other countries. I guess per capita we have quite a few because of the nature of our economy and so this increase, in terms of its impact to Government revenue, is going to be insignificant.

I listened with great care to the argument put forward by the Second Elected Member for Cayman Brac and Little Cayman. Whilst it spoke to the issue of community service, there are many notaries in this country whose service could be categorised and put into that bracket. The First Elected Member for Cayman Brac and Little Cayman correctly pointed out that in previous administrations there had been consideration given to the Brac, not because the acts are community oriented, but because of the state of the economy on Cayman Brac and Little Cayman.

I do not believe the intention of the Government is to reduce fees where notaries are performing their acts along the lines of community service because in every district there are notaries that do just that. There are people who have become notary publics, and have seen it as a service to their community and as a service to their fellow citizens. We understand clearly that not everyone can be a justice of the peace, and that particular class of persons is much more selective and much more restrictive in terms of entry.

Whilst I would say that we support the increase (because it is not substantial in nature), the increase and the carve-out for Cayman Brac and Little Cayman is being supported because we understand the economic situation generally in Cayman Brac and Little Cayman versus Grand Cayman.

As the First Elected Member for Cayman Brac and Little Cayman has quite rightly pointed out, if that is the criteria that the Government has used to come up with this decrease they would then have to go through the arduous task of going notary by notary

to figure out who is doing it for profit via a corporation, or personally for a profit, or those who are doing it as a service for their communities. As I understand it a lot are not recouping the \$250, much less the \$500.

The last time I looked at the list of notaries there is somewhere upwards of 100. There is scope, I believe, for most citizens who need to have documents notarised to be able to find one. We understand as MLAs that was one of the first things that I had done after becoming elected because people automatically presume there were certain things that we could do as Elected Members, which we actually could not. So, my colleagues from West Bay and I have a policy, we do not charge at all for any notarial act that we perform because we see it as a service to our community.

Madam Speaker, looking at the persons on the list I do not believe most of them are going to have any major problems with the increase. So with those few brief comments I give this amendment Bill my support.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? If no other Member wishes to speak, does the Honourable Third Official Member wish to exercise his right of reply?

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker. I shall be brief.

The Honourable Minister for Works raised the issue of notaries being able to charge for their fees and made the point that a proposed increase of \$250 was not a substantial amount. The Fifth Schedule to the Law actually specifies what notaries can charge for and actually specifies a dollar figure against each item. The maximum fee is \$65, so an increase of \$250, a notary would have to receive an additional request of four more of those particular transactions of \$65 during the course of a year to cover the proposed increase of \$250.

The lowest fee is \$15 for particular types of transactions. It would require an additional seventeen of those types of transactions during the course of a year to cover the increase of \$250.

Madam Speaker, the Second Elected Member for West Bay made a number of points which the Government readily understands and accepts. The figure for the number of notaries was 330 at the end of December 2005. The position that Government maintains is that a substantial number of those 330 notaries would be essential in carrying out the functions in law firms, et cetera, doing so for corporate purposes, so the Government is of that opinion.

It remains for me to thank honourable Members for their support.

Thank you, Madam Speaker.

**The Speaker:** Before I put the question maybe the Honourable Second Official Member could guide us

on this; it is on the Order Paper as the "Notaries Public (Amendment) Bill, 2006", but in the Gazetted Green Copy it says "2005."

**Hon. Samuel W. Bulgin:** Madam Speaker, the Bill straddled two calendar years.

**The Speaker:** My question is: is it 2006? Or is it 2005 as gazetted in the Green Bill?

**Hon. Samuel W. Bulgin:** The Bill is 2005 and by the time it is enacted it will be a 2006 Amendment.

**The Speaker:** My Order Paper says that it is "The Notaries Public (Amendment) Bill, 2006." My Green copy it says "2005." What is my question on the Second Reading? Is it 2005 or 2006? The Standing Order says that I shall deal with the Green copy.

**Hon. Samuel W. Bulgin:** The Bill is 2005. It is correctly referred to.

**The Speaker:** Thank you.

The question is that a Bill shortly entitled the Notaries Public (Amendment) Law, 2005, be given a Second Reading. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. The Notaries Public (Amendment) Bill, 2005 given a second reading.**

#### **The Succession (Amendment) Bill 2006**

**The Clerk:** The Succession (Amendment) Bill, 2006.

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Thank you, Madam Speaker. I beg to move the Second Reading of a Bill entitled the Succession (Amendment) Bill 2006.

**The Speaker:** The motion has been duly moved and is now open for debate. Does the Honourable Member wish to speak thereto?

**Hon. Samuel W. Bulgin:** Yes, Madam Speaker, with far less controversy.

The Succession (Amendment) Bill, 2006, is really meant to give legislative effect to what is, in effect, the Common Law position as it now obtains.

It has been recognised that there is a deficiency in the Cayman Islands Succession Law. Simply put, if husband and wife jointly own property, or several persons have joint ownership of property, and (God forbid) they should die in a common catastro-

phe, there is a difficulty in determining, for the purpose of distribution of the property, who died first. So the amendment to the Law is meant to create a presumption of survivorship, which simply means that where such occurrences do take place, the presumption is that the older person died first and the younger survived. That is, in effect, in respect of property jointly held and where there is a will.

The amendment also has a proviso or an exception in that, where the property is not the subject of a will, then the presumption does not apply and the property falls to be determined under the normal rules of intestacy—for example, by way of letters of administration.

I hope I have simplified the Bill. That is, in effect, the thrust of what is before us. So I commend the Bill to all honourable Members of this House.

**The Speaker:** Does any other Member wish to Speak? Does any other Member wish to Speak? If no other Member wishes to speak does the Honourable Second Official Member wish to exercise his right of reply?

**Hon. Samuel W. Bulgin:** Thank you, Madam Speaker. I just wish to thank all honourable Members for their tacit support of the Bill.

**The Speaker:** Honourable Second Official Member I need assistance with the same question. Your Green Bill says “2006,” the Order Paper says “2006,” and you introduced it as “2005.”

**Hon. Samuel W. Bulgin:** Madam Speaker, guided by the Bill, and it is 2006.

**The Speaker:** The question is that a Bill shortly entitled Succession (Amendment) Bill, 2006, be given a Second reading. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. The Succession (Amendment) Bill 2006 given a second reading.**

**The Speaker:** I call on the Second Elected Member for the district of West Bay.

#### **Suspension of Standing Order 14(2)**

**Mr. Rolston M. Anglin:** Madam Speaker, I beg to move the suspension of Standing Order 14(2) to allow Private Business to be taken on a day other than a Thursday.

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

**Hon. W. McKeeva Bush:** Madam Speaker, in the absence of the Third Elected Member for West Bay, I would like to second the motion.

**The Speaker:** The question is that Standing Order 14(2) be suspended in order to allow Private Members' Motions to be taken. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Standing Order 14 (2) suspended.**

**The Speaker:** I call on the Second Elected Member for the district of West Bay.

## **OTHER BUSINESS**

### **PRIVATE MEMBERS' MOTIONS**

#### **Private Member's Motion No. 2/05**

##### **Amendment to Standing Order**

**Mr. Rolston M. Anglin:** Madam Speaker, I beg to move. Private Member's Motion No. 2/05-06, shortly entitled Amendment to Standing Order, standing in my name. The Motion reads:

**BE IT RESOLVED THAT in accordance with the provisions of Standing Order 87, Standing Order 77(3) be amended as set out in the attached draft proposal;**

**AND BE IT FURTHER RESOLVED THAT Government amend all other legislation that would give effect to this principle.**

The draft proposed amendment reads: “That Standing Order 77(3), which reads, “77(3) Upon its receipt by the Presiding Officer, a report mentioned in paragraph (1) shall be deemed to have been referred by the House to the Public Accounts Committee for consideration and shall forthwith be distributed on a confidential basis to all Members” be deleted and the following substituted therefore:

“77(3) Upon its receipt by the Speaker, a report mentioned in paragraph (1) shall be deemed to have been referred by the House to the Public Accounts Committee for consideration and shall forthwith be distributed to all Members and shall become a public document.”

**Hon. W. McKeeva Bush:** Madam Speaker, I would second the motion.

**The Speaker:** The question is that the Motion be referred to the Standing Orders Committee. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. The Motion stands referred to the Standing Orders Committee.**

### Private Member's Motion No. 3/05

#### Public Sector Health Insurance Coverage Reform (Deferred)

**The Speaker:** I call on the Honourable Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** I ask for the indulgence of the House to allow for this Motion to be taken at another time than as is placed on the Order Paper.

**The Speaker:** Honourable Leader of the Opposition please second the Motion to defer this.

**Hon. W. McKeeva Bush:** Madam Speaker, I second the Motion.

**The Speaker:** The question is that Private Member's Motion No. 3/05 be deferred to a later Sitting in this Meeting. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Private Member's Motion No. 3/05 deferred.**

### Private Member's Motion No. 4/05

#### Incentive for First-time Home and Property Ownership

**The Speaker:** I call on the Honourable Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker. I beg to move Private Member's Motion No. 4/05-06, shortly entitled, Incentive for first-time home and property ownership. The Motion reads:

**BE IT RESOLVED THAT Government increase the stamp duty exemption for first time Caymanian homeowners to CI\$200,000 and for first time Caymanian landowners to CI\$50,000.**

**The Speaker:** Do we have a seconder?

**Hon. W. McKeeva Bush:** Madam Speaker, I am happy to second the Motion.

**The Speaker:** The Motion has been duly moved and is open for debate. Does the Mover wish to speak thereto?

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker. When I submitted this Private Member's Motion one week ago to the Clerk, and the Motion received your approval, I thought it would be one that would be non-controversial, and one that would receive the support of the entire House.

First, all of us in this honourable House recognise the great importance that land and property ownership plays in building a stable society; a society in which the citizens have what we all believe to be the most important stake, that is, a place that they can call their own, a place that their sweat either helped build or is helping to pay for. It is not my position that increasing these limits would have met with any form of resistance from any Members within this honourable House.

Madam Speaker, when we look deeper we will see that, typically, persons who own their own homes, have a certain discipline and focus about their lives. The discipline and focus usually transcends positively to their children so that gives rise to the claim by many governments in many countries that a key policy initiative is always to empower the people to acquire homes and property within their country. Building on that strength allows the strengthening of democracy, for the strengthening of the economy, generally, when it comes to nation building.

Madam Speaker, the existing policy gives stamp duty exemption for land acquisition of up to \$35,000, and an exemption of acquisition of any dwelling up to \$150,000. Those numbers, we believe, are outdated and outmoded and have served their usefulness. However, they are in great need of enhancing. Because the Opposition moved in the right direction on a critical point—home, property and land ownership within this country—it was not a surprise to me to find out that the Government, at its Friday press briefing, would miraculously come up with a similar proposal with the same numbers included in this Private Member's Motion.

Madam Speaker, the Honourable Minister for Works has said that great minds think alike, and that perhaps that is why I ought to be on that side. I can assure my good friend, the Minister for Works and Infrastructure that, from wherever you sit, once good leadership is being demonstrated then those who recognise it will follow—and, so, the Government is following.

I take this as a sign of things to come. I am hoping that the Government will follow this train of making sure that they pay very close attention to the very good innovative and timely ideas that the Opposition puts forward and incorporate them into their Government policy.

Madam Speaker, as politicians we understand what has happened and what is attempted to

take place. First, it is highly unusual that four days after a private member's motion government would announce an intention when, in fact, on Tuesday they could have considered this in Cabinet and done it.

What I suspect happened is that the Motion was submitted and approved, but the Government did not catch wind of it until it was a bit too late. So, to catch it on the tail end they then said in their press briefing on Friday *'This is the great new thing that we are going to do. We need to work on Caymanian home ownership, so here is what we are going to introduce.'*

As I understand it, they have tweaked it a bit and added a small other element where they have said that if raw land is acquired between \$50,000 and \$75,000 the duty that it attracts will be 2 per cent, and if you acquire a dwelling between \$200,000 and \$300,000 the duty it attracts would be the same 2 per cent.

Madam Speaker, I am one who has long had the view that the duty exemption as it is currently crafted needs some work. I believe that this must be a true incentive to push Caymanians toward home and property ownership. Every country uses economic incentives to try to persuade or dissuade its citizens from taking part in certain activities. For example, if we look north, the United States has long had within its tax policies, in most circumstances, the most favourable tax treatment individuals can get. Usually it is a married couple filing jointly. The [government of the United] States wanted to encourage marriage and so it provided an economic incentive.

In most circumstances a couple with the exact same income and earnings profile who are unwed reports their earnings to the tax authority as individuals filing separately. Their tax treatment and net tax result, in most circumstances, is inferior to a married couple filing jointly. They pay more in their tax dollar.

You will find the odd year or odd circumstance where filing as a married couple filing separately would be more beneficial from a tax perspective, but in most cases that is the situation. The government is saying to its citizens, here is what we endorse as the right way for us to build our country.

We look at the Cayman Islands; we have had hefty duties on alcohol and tobacco products for many years. The same holds true in many other countries, the so-called sin taxes, so the governments of those countries disproportionately tax those areas more heavily because they are activities that the State is trying to get people away from and trying to stop them from participating in that activity. They tax it heavier than other goods and services. Many countries have found many other areas beneficial to make tax exemptions from.

I believe that when we look at stamp duty this is but one area that the Cayman Islands has to look at in a similar vein.

I believe when this reaches its final form we need to look at this and carve out the first \$50,000 on

the stamp duty on raw land, the first \$200,000 on a dwelling, and make it duty free irrespective of the final price. If we do otherwise we will continue to say that this was put together not to encourage home and land ownership, it was simply put together to try to help those who it was felt were in more need of help because of their economic circumstance.

In other words, many first-time Caymanian homeowners may be professionals and they may have the income earning potential to acquire an apartment for \$300,000, or a piece of land for \$100,000. I believe that it is only right and it is good policy for us as Legislators to say to them, irrespective of what their particular earnings allow them to enter the real estate market at . . . so if your earnings allow you to enter the real estate market for a piece of property that is for \$150,000, or a home that is \$400,000, if you are a first-time Caymanian home/property owner you should, in my mind, receive an exemption for that \$50,000 or \$200,000.

For example, if someone was going to acquire a home or an apartment for \$300,000, they should receive a full exemption for \$200,000 making the dutiable amount \$100,000. In that scenario their duty payable would be \$5,000 (using a 5 per cent rate). Even if we use the small tweak that the Government has used to try to take the thunder out of this Motion, if you use their example and acquire that \$300,000 home, even on this sliding scale at 2 per cent, the duty is still \$6,000.

At every point along the sliding scale the duty winds up more than the person who is acquiring their property if they were given a full carve out.

I think this policy should be about Caymanian home and property ownership, and should be about encouraging and giving incentives to Caymanians to acquire property or dwellings, apartments, condominiums or homes. That has to be what we are pushing. To simply have it that if you go over the amount that duty has to kick in—even over by \$1—I do not believe achieves what we should be seeking to achieve in this Island.

We have too many young people who are too quick to go out and get a \$20,000 or \$30,000 first loan for an automobile. We need to continue saying from this Legislative Assembly that we encourage Caymanians into property ownership.

Just the other day I was listening to one of the call-in radio shows and one caller called in and talked about development and how he felt that his whole generation was somehow disenfranchised. Another caller called in and understood where the person was coming from but reminded the person that the land belonged to us first and we had to sell it. One thing about human beings is that we have a difficult time coping and dealing with realities if we cannot pin the blame somewhere else.

I believe it is incumbent upon us as legislators to put our minds together to come up with the most creative and equitable way in which we go about



creating policy. I said earlier that if a first-time Caymanian landowner decides that he wants to acquire a piece of land for \$175,000, he should not be arbitrarily penalised by saying *“just because you can afford that, just because you have worked hard, just because you are a professional you are not going to have this benefitt.”*

We should be encouraging people into property and home ownership and the only way to do it is to have a policy that rewards every single person who is a first-time property owner. Therefore my submission is that we should have in place a policy that says up to \$50,000 is duty free for a first-time Caymanian landowner and up to \$200,000 is stamp duty free for the first-time Caymanian homeowner.

Madam Speaker, I will listen with interest to other Members' contributions to what I believe is a noteworthy, and even goes beyond that. It is a motion that has merit and deserves the endorsement of this House.

**The Speaker:** Does any other Member wish to speak? The Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the Honourable Third Official Member will be speaking in detail on behalf of the Government to this Motion.

I would like to clarify a circumstance which, unfortunately, I was unable to make assessment of prior to the Mover of the Motion speaking. The arguments that have been put forward by the Mover of the Motion and, without being disingenuous, I would like the Mover to listen to me very carefully because we need to make sure that the matter is cleared.

The Motion reads: **“BE IT RESOLVED THAT the Government increase the stamp duty exemption for first-time Caymanian homeowners to CI\$200,000 and for all first-time Caymanian landowners to \$50,000.”**

By inference, because it speaks to an increase it is fair (more than fair) to assume that it is referring to what obtains presently because the Motion asks that it be “increased.” That means it is not speaking of a first-time effort, but to something that obtains.

Because it refers to the fact that Government should increase the stamp duty exemption for first-time Caymanian homeowners to CI\$200,000 and first-time Caymanian landowners to CI\$50,000, it follows suit, naturally, that one would expect the Motion as it reads to refer not only to the amount that presently obtains but to the conditions that presently obtain.

I am not trying to be difficult, but we have to make sure that what might or might not be accepted is made very clear. I bring the point forward that, as it is worded, and being totally honest, until the Member explained in the Legislative Assembly just a few minutes ago the intent of the Motion, my and the Government's understanding of the Motion was simply to raise it from \$35,000 to \$50,000 and from \$150,000 to

\$200,000. The assumption was that it would be the same conditions which obtain now.

The Member is obviously, by his line of argument, not saying that. I am simply asking if we could ensure that the deliberations to accept the Motion would make sure that it clarifies the situation. I do not know whether it is a question of the English language, I am just telling you what the interpretation was.

**The Speaker:** Second Elected Member for the district of West Bay, before you move on, it was my understanding, when I accepted this motion, that it would go from \$150,000 to \$200,000 for Caymanian homeowners with the exemption, and for landowners from \$35,000 to \$50,000. Is that the intention of this Motion? That is what I, as the accepting Speaker, read from the Motion also.

Honourable Second Elected Member for West Bay would you care to have a few minutes?

Proceedings will be suspended for fifteen minutes.

**Proceedings suspended at 4.00 pm**

**Proceedings resumed at 4.15 pm**

**The Speaker:** Please be seated.

Proceedings are resumed. In order to allow the Second Elected Member for the district of West Bay some time to amend his Motion, I would now ask for the adjournment of this honourable House.

## ADJOURNMENT

**Hon. Anthony S. Eden:** Madam Speaker, I move the adjournment of this Honourable House until Thursday, 2 March 2006, at 10 am.

**The Speaker:** Before I put the question I have allowed the Honourable Leader of the Opposition to make a personal explanation.

Honourable Leader of the Opposition.

## Personal Explanation

(Standing Order 31)

**Regarding Statement Made by the Hon. Minister of Tourism on Article Appearing in Cayman Net News 13 January 2006**

**Hon. W. McKeever Bush:** Madam Speaker, the Minister of Tourism made a statement in which he quotes me from a newspaper report on the matter of the use of the Spotts Dock.

Firstly, I did not see the report in the papers that he spoke of, but let me repeat what I said to the reporter when I was questioned on the matter: that in the past the Department of Environment had told me that they were not in favour of using the area for an-

choring. I also said that the Florida Caribbean Cruise Association (FCCA) did not agree to going there.

The Government [has not] now, nor when they were the Opposition, said what it is going to do exactly. I would never presume to guess at what this Government is, or is not, going to do at any point in time.

In regard to the Turtle Farm, I can say that I have voiced my opinion on the complete viability of the Turtle Farm without a facility in West Bay for cruise visitors.

While the feasibility that the Minister referred to did not say anything about such a facility, as Minister responsible for the Farm, and the Chairman of the Board at the time, I did—from the Ministry and in various meetings and statements in regard to the Turtle Farm. I wanted to bring the cruise visitors closer to the Farm without putting more traffic on West Bay Road. The Dock in West Bay offered that convenience, safety, and surety to the Turtle Farm.

While it was a difficult negotiation, we achieved our objective and the FCCA agreed to give us the \$8 Million for the West Bay Cruise Facility. We did not ever agree to the ships anchoring in West Bay. The FCCA did not agree to “keep up on engines” in West Bay, and we did not want that either in recognition of the diving environment on the South Side.

So, we agreed on a ferry service for the cruise passengers, and it was going to be from the ship, to the West Bay Dock. From the ship to the—

#### Point of Order

**Hon. Charles E. Clifford:** Madam Speaker, on a point of order.

**The Speaker:** Honourable Minister of Tourism may I hear your point of order?

**Hon. Charles E. Clifford:** Madam Speaker, I made a statement to this honourable House in relation to this matter under Standing Order 30. The Honourable Leader of the Opposition certainly has a right to ask questions under Standing Order 30(2), as you are aware, and he chose not to. His only other option is to give a personal explanation under Standing Order 31. It does not entitle him to make a substantive statement—which he is apparently proceeding to do; and in making that statement he is seeking to mislead the public once again by saying that the passengers would be taken from the ship to West Bay.

**Hon. W. McKeeva Bush:** That's right!

**Hon. Charles E. Clifford:** The Leader of the Opposition is well aware that I have personal knowledge of this because he was in the same meeting that the FCCA said that they would not allow passengers—

**Hon. W. McKeeva Bush:** Madam Speaker, where is the Minister going with his explanation now? I want to find out.

**Hon. Charles E. Clifford:** Madam Speaker, I am speaking on a point of order. . .

**The Speaker:** Honourable Leader of the Opposition I need to finish hearing the point of order.

**Hon. W. McKeeva Bush:** Of course.

**Hon. Charles E. Clifford:** He is well aware that the FCCA told him that they would not allow passengers to go directly from the ship to West Bay—

**Hon. W. McKeeva Bush:** That's not true!

**Hon. Charles E. Clifford:** —because there is no way that an entire shipload of passengers would want to go to West Bay, some persons would want to stay in town and do other things, and that the passengers would first have to go on the George Town Dock. Then those that want to go to West Bay would then have to be ferried to West Bay separately.

My point is that the Member is operating outside of the provisions of Standing Order 31. He is proceeding now to make a substantive statement, which he is not entitled to. He is no longer a Minister of Government.

**Hon. W. McKeeva Bush:** I can make an explanation though.

**The Speaker:** Honourable Minister I understand what you are saying, but as the Speaker of this Legislative Assembly I was asked if he could make a personal explanation. As long as that does not include anything controversial, I have the authority to allow that.

You have the understanding that the passengers were going to come aboard, the Honourable Leader of the Opposition is saying that he had the understanding from the FCCA that they would leave the ship.

I have allowed the personal explanation and as long as there is no controversial matters in it, it is okay.

**Hon. W. McKeeva Bush:** Madam Speaker, I will continue with my statement, if I am allowed.

**The Speaker:** Honourable Minister of Tourism.

**Hon. Charles E. Clifford:** Madam Speaker, I want to say that I certainly bow to your ruling and respect your ruling. My concern was that the Member was going beyond a personal explanation. He was attempting to make a substantive statement.

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

**Hon. W. McKeeva Bush:** Thank you kindly, Madam Speaker. Let me continue and repeat . . . and I think I should begin from the point, Madam Speaker, where we did not ever agree to the ships anchoring in West Bay. The FCCA did not agree to “keep up on engines” in West Bay, and we did not want that either in recognition of the diving environment on the South Side.

So, we agreed on a ferry service for the Cruise Passengers. And it was going to be from the ship, to the West Bay Dock. The FCCA had not yet settled on exactly how it would operate from their point of view.

Had I been the Minister today, however, that is the way it would have been. There would be a Dock in West Bay, a ferry service from the ship to the Dock in West Bay, where it would have been easier to get to the Cayman Turtle Farm and assist in assuring its viability.

There would also exist a ferry service to make it easier on those days that weather permitted for passengers to get from West Bay to George Town if they so choose, and assist in alleviating traffic congestion on the West Bay Road. Also, of course, there would be an opportunity for the development of some commerce for the West Bay entrepreneur.

Madam Speaker, I am a practical environmentalist recognising that there are times when there must be “give and take” for people and the environment to co-exist. I can therefore point to many, many worthwhile laws and other such protection made in my last four years as the Minister responsible for that subject.

The Minister of Tourism ought to heed his own advice because judiciousness is far from in him!

**The Speaker:** The question is that this honourable House do now adjourn until 10 am Thursday, 2 March 2006. All those in favour please say Aye.

**Ayes.**

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

**At 4.22 pm the House stood adjourned until 10 am Thursday, 2 March 2006.**



**OFFICIAL HANSARD REPORT**  
**THURSDAY**  
**2 MARCH 2006**  
**10.04 AM**  
*Second Sitting*

**The Speaker:** I call upon the Honourable Leader of the Opposition to say Prayers.

**PRAYERS**

**Hon. W. McKeeva Bush:** Let us pray.

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

*Bless our Sovereign Lady, Queen Elizabeth II; Philip, Duke of Edinburgh; Charles, Prince of Wales; and all the Royal Family. We pray, O Lord, also for all the people of these islands, now especially our young people, and those families that lose young people, we pray for our elderly, give them courage and strength in their golden years. We pray now that you will 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. Proceedings are resumed.

**Proceedings resumed at 10.07 am**

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

**Apologies**

**The Speaker:** I have received apologies for late arrival from the Honourable Second Official Member; apologies for absence from the Honourable Minister responsible for Tourism and the Third Elected Member for the district of West Bay.

Before we proceed, I would like to wish the Honourable Leader of Government Business, on behalf of this House, a happy birthday and hope that he enjoys it.

**QUESTIONS TO HONOURABLE  
MINISTERS/MEMBERS  
OF THE CABINET**

**The Speaker:** Question No. 61 stands in the name of the First Elected Member for West Bay and Leader of the Opposition and is addressed to the Honourable First Official for the Portfolio of Internal and External Affairs and the Civil Service.

**Question No. 61**

**No. 61: Hon. W. McKeeva Bush** Madam Speaker, a very important part of this question was left out, and I spoke to the Honourable Chief Secretary, but they have included it in the answer. The question reads: what was the reason for the special raise given to the Leader of Government Business and the Honourable Speaker, and who initiated the increase.

**The Speaker:** Honourable Temporary First Official Member.

**Hon. Colin Ross:** Madam Speaker, under General Orders Chapter 2 section 2.2 (k), the Head of the Civil Service and Chief Secretary has the responsibility for recommending to the Governor the salaries, allowances or other benefits of elected Members of Cabinet, the Speaker, Deputy Speaker and Members of the Legislative Assembly.

Madam Speaker, in November 2005, the Head of the Civil Service (who was then Acting Governor) asked the Portfolio of the Civil Service to review the salaries of Cabinet Members, the Honourable Speaker and the Honourable Leader of the Opposition. The salary of the Deputy Speaker had previously been upgraded.

In making its suggestion to the Acting Governor, the Portfolio took the view that in the existing scheme of things, there was no recognition of the weightier responsibilities and prestige of the position of Leader of Government Business, Leader of the

Opposition and Honourable Speaker. Accordingly, it recommended an increase in the salaries of these three positions which recommendation His Excellency the Acting Governor approved.

**The Speaker:** Are there any supplementaries?  
Honourable Leader of the Opposition.

### Supplementaries

**Hon. W. McKeeva Bush:** Madam Speaker, I wonder if the Honourable Member can say what each salary is per month.

**The Speaker:** Honourable Temporary First Official Member.

**Hon. Colin Ross:** Madam Speaker, the monthly salaries are as follows: the Leader of Government Business - \$12,963.00; the Speaker - \$12,646.00, the Leader of the Opposition - \$9,219.00

**The Speaker:** Are there any further supplementaries?  
Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, I want to make sure that the Member had no correspondence from the Leader of the Opposition and no requests on this matter.

**The Speaker:** Honourable Temporary First Official Member.

**Hon. Colin Ross:** Madam Speaker, I can confirm that I had no correspondence or input on this from any of the three people whose salaries I recommended a raise for.

**The Speaker:** Are there any further supplementaries?  
The Third Elected Member for the district of George Town.

**Ms. Lucille D. Seymour:** Madam Speaker, would the Honourable Temporary First Official Member say what is the percentage increase?

**The Speaker:** Honourable Temporary First Official Member if you are in a position to give the reply.

**Hon. Colin Ross:** Madam Speaker, Members of this House would remember that all Civil Servants, including Cabinet Members and MLAs, received a 4.8 cost of living allowance in December. If we include that 4.8, the percentage increases for the three people concerned were as follows: Leader of Government Business – 15.6 per cent; Leader of the Opposition – 18.56 per cent; Speaker – 10.11 per cent

**The Speaker:** Are there any further supplementaries?  
Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, can the Honourable Member say, to bring the Leader of the Opposition's salary to \$9,219 and to reach an 18 per cent increase was because the salary was the lower of the three?

**The Speaker:** Honourable Temporary First Official Member.

**Hon. Colin Ross:** Madam Speaker, this takes me into the realm of mathematics, at which I am not very well versed, but the salary of the Honourable Leader of the Opposition went from D1 to D6 and that resulted in the 18.56 per cent. The fact of the matter is, the Honourable Leader of the Opposition's salary is on the D scale which is a lower scale than the Members of Cabinet, which is the B scale.

**The Speaker:** Are there any further supplementaries?  
Fourth Elected Member for George Town.

**Mr. W. Alfonso Wright:** Madam Speaker, can the Honourable First Official Member state the comparison of these salaries with those of other Members of Cabinet and other MLAs?

**The Speaker:** Honourable Temporary First Official Member if you are in a position to answer that question, I will allow it.

**Hon. Colin Ross:** Madam Speaker, several years ago (after the Hay Management Group had carried out an extensive review of salaries of all civil servants) the issue of how to remunerate Cabinet Members and MLAs came up. At that time, as I understand it, a decision was made to benchmark the Cabinet Members with the Official Members, the Financial Secretary and the Attorney General, who are also on the B scale, so all Cabinet Members are on the B scale. The Honourable Chief Secretary's salary is on the A scale.

A similar decision was made to benchmark MLAs' salaries with those of heads of major government departments and those salaries are on the D scale. So Cabinet Members are on the B scale, and other MLAs on the D scale. The Speaker was benchmarked along with Cabinet Members as being on the B scale.

**The Speaker:** Are there any further supplementaries?

Fourth Elected Member for George Town.

**Mr. W. Alfonso Wright:** Madam Speaker, can the Honourable Member state whether this is the norm in our region where these three positions are distinguished by salary throughout the region?

**The Speaker:** Honourable Temporary First Official Member.

**Hon. Colin Ross:** Madam Speaker, I regret to say that I am not in a position to answer that question. I do not know, nor have I researched, how Members of Cabinet or MLAs are remunerated in other jurisdictions or on what basis they are remunerated.

**The Speaker:** Are there any further supplementaries?  
Third Elected Member for George Town.

**Ms. Lucille D. Seymour:** Madam Speaker, can the Honourable Member [give the] dollar value of the A scale, and exactly what are the salaries for the Chief Secretary, Attorney General and the Financial Secretary, the Leader of the Opposition and the Leader of Government Business.

**The Speaker:** Honourable Temporary First Official Member.

**Hon. Colin Ross:** Madam Speaker, I will move to the salary scale to try and answer that question.

The Chief Secretary's salary is \$13,285 per month; the Attorney General's salary is \$12,036 per month; the Financial Secretary's salary is \$11,743 per month; Cabinet Minister's salaries are \$11,743 per month and MLAs salaries are \$8,149 per month.

**The Speaker:** This will be the final supplementary. Are there any further supplementaries?  
Third Elected Member for Bodden Town.

**Mr. Osbourne V. Boddén:** Madam Speaker, could the Honourable Member state, in his opinion, how these wages compare with heads of statutory authorities in the Cayman Islands?

**The Speaker:** Honourable Temporary First Official Member that is outside the ambit of the question, but if you are in a position to answer . . .  
Honourable Temporary First Official Member.

**Hon. Colin Ross:** Madam Speaker, on average the salaries are considerably less weightier than those enjoyed by the heads of statutory authorities.

**The Speaker:** We move on to Question No. 62.

**Hon. W. McKeeva Bush:** Madam Speaker, the Third Elected Member for West Bay is off the island, and given the ruling on Monday, we will have to put this off until he is back.

#### **Question No. 62** (Deferred)

**No. 62. Mr. Cline Glidden, Jr.,** to ask the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs and the Civil Service what is the total number of civil servants in the Cay-

man Islands, broken down by: (a) Caymanians; and (b) Non Caymanians.

**The Speaker:** Is there a seconder?

**Mr. Rolston M. Anglin:** Madam Speaker, I beg to second the motion.

**The Speaker:** The question is that Question No. 62 be deferred to a further Sitting in this Meeting. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Question No. 62 deferred to a later sitting.**

#### **Question No. 63**

**The Speaker:** Question No. 63 is standing in the name of The Fourth Elected Member for George Town and addressed to the Honourable Minister responsible for the Ministry of Health and Human Services

**No. 63. Mr. W. Alfonso Wright** asked the Honourable Minister responsible for the Ministry of Health and Human Services what progress is being made in revenue collection at the Health Services Authority?

**The Speaker:** Honourable Minister responsible for Health.

**Hon. Anthony S. Eden:** Madam Speaker, before I answer the specific question I would like to explain to Members of this honourable House the different operating revenue streams of the Health Services Authority (HSA).

The first source is directly from my Ministry. As Minister, I purchase certain services from the HSA, for example Medical Care for Indigents, Medical Services for Cayman Brac and Little Cayman and Public Health Services. These services are paid for on a monthly basis after the services are delivered. Other ministries also buy outputs from the HSA.

The second source of revenue is from the Cayman Islands National Insurance Company (CINICO). This is for medical services provided to civil servants, pensioners and dependants, seamen and veterans. Payment from CINICO is the major revenue earner for the HSA and is made after claims have gone through the adjudication process.

The HSA's third source of revenue is from commercial health insurance companies and self pay. Self pay is payment from those people who do not have health insurance or have limited coverage and/or a deductible on their insurance plan. This is where the main problems with collections have been encountered in the past and I believe this is the substance of the question, as the other two sources of

revenue are from Government and a Government Company.

Madam Speaker, the Cerner computer system used for coding and billing is still providing some challenges for the staff of the Patient Financial Services Department. However, despite all the difficulties, collections have improved. If you compare payment received from commercial health insurance companies and self pay for the period July 2004 to February 2005 with the period July 2005 to February 2006 there has been a total increase of approximately 47 per cent in collections. This reflects an increase of 54 per cent from insurance companies and 38 per cent from self pay.

### Supplementaries

**The Speaker:** Are there any supplementaries?  
Fourth Elected Member for George Town.

**Mr. W. Alfonso Wright:** I wonder if the Honourable Minister would, as far as collections from insurance companies are concerned, give us a breakdown of what is outstanding.

**The Speaker:** Honourable Minister of Health.

**Hon. Anthony S. Eden:** Madam Speaker, I beg to produce that information later on as I do not have that here. But I am pleased to say that I know through the Legal Department they have been negotiating with some of the insurance companies that they had problems with before and that is, hopefully, coming to a resolution soon.

**The Speaker:** Are there any further supplementaries?  
Second Elected Member for West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, could the Honourable Minister say whether the problems experienced with those insurance companies is due to disputes of the claims or due to liquidity problems with those carriers?

**The Speaker:** Honourable Minister of Health.

**Hon. Anthony S. Eden:** No, it is mainly dispute of the claims.

**The Speaker:** Are there any further supplementaries?  
Second Elected Member for West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, is the problem to do with the costing of the services provided?

**The Speaker:** Honourable Minister of Health.

**Hon. Anthony S. Eden:** Madam Speaker, the main difficulty was that some of the invoices that had been sent to the insurance companies were duplicates and

I must say that I am pleased to note that we are in the process of rectifying most of the differences. My understanding is that most of the insurance companies are prepared to come up with a resolution.

**The Speaker:** Are there any further supplementaries?  
Second Elected Member for West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, can the Minister also say what has been done to resolve the problem of having invoices sent out beyond the allowable period of time? I think there is a six-month timeframe in which a claim has to be made.

**The Speaker:** Honourable Minister of Health.

**Hon. Anthony S. Eden:** Madam Speaker, one of the key difficulties with this was the input of information into the Cerner computer system. We have trained the input clerks and added more staff. This is going a long way in relieving the difficulties.

**The Speaker:** Are there any further supplementaries?  
Fourth Elected Member for George Town.

**Mr. W. Alfonso Wright:** Madam Speaker, I am not sure that the Minister would have this information, but I would like it provided if possible. Can he give the figure outstanding at present and what percentage of revenue it made up at 1 May 2005?

**The Speaker:** Honourable Minister of Health.

**Hon. Anthony S. Eden:** Madam Speaker, I give the undertaking to provide that information for the honourable Member.

**The Speaker:** Are there any further supplementaries? If not we move on to the next question, standing in the name of the Third Elected Member for George Town and addressed to the Honourable Minister responsible for the Ministry of Health and Human Services.

### Question No. 64

**No. 64: Ms. Lucille D. Seymour** asked the Honourable Minister responsible for the Ministry of Health and Human Services to give an update on the Young Parents' Programme and when will they move into their old home by the Lobster Pot.

**The Speaker:** Honourable Minister of Health and Human Services.

**Hon. Anthony S. Eden:** After Hurricane Ivan, the Young Parents Programme was relocated to a room upstairs at the NCVO (Richard Arch Building). There are currently nine girls ranging in age from 14 to 20 years enrolled in the programme. GED classes con-



tinue to be available for current and past students who need further education.

The Public Works Department has advised that the renovations to the Joyce Hylton Family Life Centre, which houses the Young Parents Programme, will be completed by the end of March. The programme will move back to this location once the necessary work is complete.

### Supplementaries

**The Speaker:** Are there any supplementaries?  
Third Elected Member for George Town.

**Ms. Lucille D. Seymour:** Madam Speaker, first, I would like to congratulate the Honourable Minister for pursuing and continuing to pursue such a valuable programme. I now ask if there has been an endeavour to purchase the adjoining property by the Joyce Hylton Family Life Centre?

**The Speaker:** Honourable Minister of Health and Human Services.

**Hon. Anthony S. Eden:** Madam Speaker, not that I am aware of, but I will ask the Department of Children and Family Services to see the possibility.

**The Speaker:** Are there any further supplementaries? If not we move on to the next question, standing in the name of the Third Elected Member for Bodden Town and addressed to the Honourable Minister responsible for the Ministry of Health and Human Services.

### Question No. 65

**No. 65:** The Third Elected Member for Bodden Town asked the Honourable Minister responsible for the Ministry of Health and Human Services to say what progress is being made on the development of the Golden Age Home in West Bay.

**The Speaker:** Honourable Minister of Health and Human Services.

**Hon. Anthony S. Eden:** Madam Speaker, shortly after assuming responsibility for the Ministry of Health and Human Services I toured the Golden Age Home and was pleased to note that the Elected Members for West Bay were there with me. From all observations, and based on what was reported, the home is badly in need of repair and expansion. The Department of Children and Family Services has acquired drawings and preliminary costing from the Public Works Department. The Government recognises the urgency of this type of facility to serve the elderly and funds will be allocated to rectify this situation in the 2006-2007 Budget.

### Supplementaries

**The Speaker:** Are there any supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeever Bush:** Madam Speaker, I had a discussion with the Honourable Minister in regard to the Home, and I reported to him what was accomplished by us as Members of the community in that we raised \$200,000 — \$50,000 was in the Budget at one point and may be still there for the Home—and that we had been meeting as a group. Some of the group members were off the Island for various reasons but we had started back and we wanted to continue to work with Government on the Project.

A donation promised to us from the community, one family in the Islands, of \$200,000 is at hand and we intend to be moving forward with that.

I do not have a question but I thank you for allowing me to reiterate that to the Minister.

**The Speaker:** Honourable Minister for Health and Human Services.

**Hon. Anthony S. Eden:** Madam Speaker, thank you. My philosophy in the Ministry of Health and Human Services is that in any way the private sector can assist I see this as a partnership that can go a long way in helping Government in difficult times. I must say that it is a sad situation when you see our senior Caymanian citizens—who built these Islands and brought them to where they are—living in restricted areas that are smaller than those of the inmates at Northward Prison. I think it is incumbent on Government and the private sector (as a matter of fact, I mentioned this at a fundraiser earlier this year for young children) that we address this situation and deal with it not only in West Bay but in the other areas of North Side, East End and Bodden Town.

**The Speaker:** Are there any further supplementaries?  
Second Elected Member for West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, the Minister started down the line that I was coming to and that is to enquire of him what is the overall national plan in regard to elderly care facilities. I know that the Pines Retirement Home is also a facility that is now aged and it is difficult to get people in these facilities.

What is the national plan by district to revamp and rehabilitate or create new facilities in districts such as North Side and Bodden Town?

**The Speaker:** Honourable Minister for Health and Human Services.

**Hon. Anthony S. Eden:** Madam Speaker, that is another good question. We all indicated that the facility in West Bay is very restricted. I am very pleased with the functioning of the one in Cayman Brac and it has

been brought to my attention that there is a planned expansion. Once again, there is some private sector involvement. Bodden Town has a building that we have bought and we are looking at the upcoming budget to expand facilities. I am pleased to note also that in that area the senior citizens committee that we have in Bodden Town is very active in assisting us in complementing what services can be provided there.

East End has a small facility. Madam Speaker, I remember from the time that you were there we identified a piece of land where we can construct something for the senior citizens in that area. It behoves us to work on these at the district level. It is easier for those people living there and for the families to support what is provided within the district.

As we go forward and the funds become available we look forward to expanding on these services with the help of God.

**The Speaker:** Are there any further supplementaries?  
Third Elected Member for Bodden Town.

**Mr. Osbourne V. Bodden:** Madam Speaker, could the Minister say if there is a waiting list for the use of the facility in West Bay?

**The Speaker:** Honourable Minister for Health and Human Services.

**Hon. Anthony S. Eden:** Madam Speaker, I know that in recent years there were six new admissions at the Golden Age Home in West Bay. As was brought out by the Second Elected Member for West Bay, the Pines Retirement Home and other areas are really something that we need to deal with. I know that they have plans for the expansion of the Pines Retirement Home with the help of the private sector. We will be looking at how we can assist. As the honourable House knows we pay a significant amount of money there for management and other services, but the more that the private sector does in this area and complement's Government's [efforts] the better off we are.

**The Speaker:** Are there any further supplementaries?  
Fourth Elected Member for George Town then the Second Elected Member for West Bay.

**Mr. W. Alfonso Wright:** I wonder if the Minister can state if, when he took up office, there were plans by the Ministry to improve these health care facilities for the elderly throughout the Cayman Islands.

**The Speaker:** Honourable Minister for Health and Human Services.

**Hon. Anthony S. Eden:** Madam Speaker, I specifically know that Golden Age has been under drawing for some time. This is why it did not take Public Works long to put information together with an estimation of

what needs to be done. We were working on the Bodden Town facility, and we have expanded on it after taking over, thanks to the assistance of our committees in Bodden Town.

The PPM Government looks forward to moving this into all of the districts. This is across party lines and has nothing to do with politics. This has to be what is good for our senior citizens and our Islands.

**Hon. W. McKeever Bush:** Hear, hear!

**The Speaker:** Are there any further supplementaries?  
Second Elected Member for West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, could the Minister also elaborate on how he is going to incorporate specific daycare facilities within each of these facilities? I know that there is also a demand for children and caregivers to have facilities where they can drop their elders off in the morning and collect them in the evening.

**The Speaker:** Honourable Minister for Health and Human Services, this is outside the ambit of the original question but because this subject is so important to all Members of the Legislative Assembly, if you are in a position to answer, I will allow it.

**Hon. Anthony S. Eden:** Madam Speaker, this is a subject dear to all of our hearts, and we will be looking at this. The West Bay Golden Age Home houses the adult daycare centre which provides supervision, a safe, structured environment, education, physical activity and daily meals for twenty-three registered elderly and disabled clients. This program takes place on a large open-air porch at the back of the house, but when it rains these individuals have to be brought inside.

Cayman Brac has established a facility for children which we could look at doing the same thing for young children who need help. It is incumbent on us in the overall approach for seniors and young children who need that help, that we provide it.

**The Speaker:** Are there any further supplementaries?  
Third Elected Member for George Town.

**Ms. Lucille D. Seymour:** Madam Speaker, this subject is dear to all of our hearts. I also note that all the districts have a semblance of a facility for senior citizens and the Bodden Town district has plans, but I noticed that the North Side district does not have a Golden Age Home. If the Minister can answer my question, I would like to ask the Minister if there was ever a discussion for the establishment of a senior citizen home for North Side.

**The Speaker:** Honourable Minister for Health and Human Services.

**Hon. Anthony S. Eden:** Madam Speaker that was an excellent question. As far back as 1993-1994, we identified a piece of land there, which was where the Teachers Cottage was. Money was in the Budget for it. I know and understand the feeling of this present House—that we are committed now to champion this cause and go forward to provide these services as soon as possible.

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

**Hon. W. McKeever Bush:** Madam Speaker, I believe that under your tenure as a Member there were several moves to get such property. I think that in the last couple of years land was supposed to be purchased.

**The Speaker:** Maybe I could enlighten the House. I have knowledge of this because I have been involved with it since 1993. The old Teachers Cottage Property in North Side (that is owned by Government) was identified for a senior citizens daycare centre. Money was put in the Budget in the sum of \$90,000. The Department of Social Services had plans drawn up then it died by the wayside.

It was in 1996, I think, when I stopped taking Mylanta!

*[Laughter]*

**The Speaker:** Honourable Minister for Health and Human Services.

**Hon. Anthony S. Eden:** Madam Speaker, just to wind up . . . in making my altar call, I would encourage all districts to follow the example that has been demonstrated by West Bay, Bodden Town, and East End to a certain degree, that any people within the districts that would join hands with us in helping provide not only the infrastructure, but also the services, even if no more than a visit or phone call to these people, it would mean so much to them. I encourage all in the Cayman Islands and the private sector—you know there is lots and lots of money herein the private sector—to do this. By doing so we can stabilise and make things so much better when our older people are in comfortable surroundings. It is time we recognise the people who built these Islands to where we are today and show the appreciation to them, because if it had not been for what they have done we would be here today.

**The Speaker:** Are there any further supplementaries? If not we will move on.

## STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

**The Speaker:** I have received no notice of statements by Honourable Ministers or Members of Cabinet.

## OTHER BUSINESS

### PRIVATE MEMBERS' MOTIONS

#### Private Member's Motion No. 4/05-06

##### Incentive for First-time Home and Property Ownership

*(Continuation of debate thereon)*

**The Speaker:** I call on the Honourable Second Elected Member for West Bay to continue his debate on Private Members Motion No. 4.

**Mr. Rolston M. Anglin:** Madam Speaker, on Monday I concluded my debate and the Honourable Leader of Government Business rose to start his debate.

Subsequent to that you allowed an amendment to the Motion which encapsulates precisely more fully and clearly the intent of the Motion. With your permission I would now move that amendment.

**The Speaker:** Honourable Second Elected Member for the district of West Bay.

##### Amendment to Private Member's Motion No. 4/05-06

**Mr. Rolston M. Anglin:** Madam Speaker, in accordance with the provisions of 25(1) and (2), I seek to move the following amendment to Private Members Motion No. 4/05-06 -By deleting the resolve and substituting the following –

BE IT RESOLVED THAT Government considers exempting from stamp duty CI\$50,000 for all first-time Caymanian landowners and exempting from stamp duty CI\$200,000 for all first-time Caymanian homeowners.

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

**Hon. W. McKeever Bush:** Madam Speaker, I second the Motion.

**The Speaker:** The amendment to Private Member's Motion No. 4/05-06 has been duly moved and is open for debate.

Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, at this point I would only add that the amendment clarifies what the Motion intended to say and now is in line with the

debate that I put forward on Monday. It provides a clearer incentive for home and property ownership by Caymanians within the Cayman Islands. It clearly sets out by way of policy, if adopted, the notion that Government is encouraging every Caymanian to take up property and real estate ownership within this country.

It says without any ambiguity that every Caymanian is encouraged to take up ownership of real estate. Under the current existing policy the intent was to actually try to move lower earning Caymanians toward real-estate ownership. It said, any land purchase up to \$35,000 would be exempt but as soon as it reached \$35,001 you would incur the full stamp duty. It said any dwelling up to CI\$150,000 would be exempt and once it was \$150,001 it incurred the full stamp duty.

When we looked at those amounts and into the actual real estate marketplace we will know that to acquire a property or dwelling at those prices is extremely difficult. Just in West Bay alone, it is a great challenge to find a house lot for \$35,000. I would say that it is practically impossible! It is the same thing with a dwelling. The great majority of all apartments are going for around \$200,000 and up. So to find a dwelling for less than \$150,000 is incredibly difficult, not just in West Bay but across the entire Cayman Islands.

Perhaps the only district where these prices may have a little more relevance would be on Cayman Brac, but even there I am not sure of \$150,000 for a dwelling; perhaps a track of land.

The Motion seeks to move the policy forward to say, unequivocally, real estate in the Cayman Islands is of paramount importance to our building the type of country and society that all of us want and envision for our beloved Cayman Islands.

Madam Speaker, having had the opportunity after my contribution/debate to the original Motion on Monday to speak with the Honourable Third Official Member and to more clearly understand what it was that the Government was putting forth in its alternative, I understand that it now creates three brackets of duty. From \$0-\$50,000 would attract no stamp duty, from \$50,000-\$75,000 would attract 2 per cent stamp duty on raw land, and \$75,000 and above would attract the normal rate. On dwellings, \$0-\$200,000 would attract no duty; \$200,000-\$300,000 would attract 2 per cent and \$300,000 and above would attract the normal rate.

I find it flattering that I could submit a Motion that was received on Monday 20 February 2006, and by that Friday the Government would announce in a press briefing, without taking it to Cabinet, on 24<sup>th</sup> February, that they had discussed the matter in an informal Cabinet meeting. I did not realise that press briefings were to discuss informal Cabinet meetings; I thought they were to discuss what Government had decided to do.

What would be even more interesting is whether or not these proposals were announced dur-

ing their conference the week before. My understanding is that they were not. I certainly believe that this Motion jolted the People's Progressive Movement Government into action and they saw the worth of this Motion. They saw the good that would come from it so they quickly jumped on the bandwagon, painted it red and said this is a Government initiative.

I must say that the story in the press this week has created some confusion. It is one of my concerns when you start going to multiple bands within the stamp duty, an area that had not had this before but certainly that is going to have to be clarified.

We have had numerous calls from persons who have seen the \$300,000 number and they now think that anything up to \$300,000 does not attract duty.

**The Speaker:** Honourable Member, I need to bring to your attention that we are debating the amendment, then we will debate the Motion as amended. We need to get the amendment out of the way. You are lucky this time because you have three times to speak. So can we just get the amendment out of the way? Then the question will be put on the Private Member's Motion as amended.

**Mr. Rolston M. Anglin:** Madam Speaker, I will stop here to have this Motion, as it is, be the Motion that is debated. As you have said, I will get three times to speak, and those who know me know that I am a man of few words! So I just want to get on with the business of the House.

*[Laughter]*

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? If no other Member wishes to speak, does the Mover of the amendment wish to exercise his right of reply?

**Mr. Rolston M. Anglin:** Madam Speaker, just to thank Members for their obvious support.

**The Speaker:** The question is that Private Member's Motion No. 4/05-06, be amended: "BE IT RESOLVED THAT Government considers exempting from stamp duty CI\$50,000 for all first-time Caymanian landowners and exempting from stamp duty CI\$200,000 for all first-time Caymanian homeowners."

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

**Ayes.**

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

**Agreed: Amendment to Private Member's Motion No. 4/05-06 passed.**

**The Speaker:** Private Member's Motion No. 4/05-06 has been duly amended.

The Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, I eagerly anticipate the contributions of other Members.

Thank you.

**The Speaker:** Does any other Member wish to speak? The Minister responsible for Education.

**Hon. Alden M McLaughlin, Jr:** Madam Speaker, what I am able to say is that the Government is quite happy to consider the Motion brought by the Second Elected Member for West Bay. Notwithstanding the fact that it differs in some material particulars from what has been announced as Government's proposal to deal with improving the incentives for first time Cayman ownership of property and homes.

I need to clarify a few misleading remarks which have been made by the Second Elected Member for West Bay.

#### Point of Order

**Mr. Rolston M. Anglin:** Madam Speaker, on a point of order.

**The Speaker:** Honourable Second Elected Member for West Bay, may I hear your point of order?

**Mr. Rolston M. Anglin:** Under the Standing Orders no Member is supposed to impute improper motives by a Member. I certainly did not mislead the House. The Minister has said that I made misleading statements, which, in my mind, says that they are lies.

**The Speaker:** Honourable Minister of Education we are trying to bring the precedent into the House, as was ruled before concerning "misleading". You should restate, rather than using the word "misleading," that there were certain statements made that are not correct and you that will clarify them.

Honourable Minister for Education.

**Hon. Alden M McLaughlin, Jr:** Thank you, Madam Speaker, I am happy to do that. *A rose by any name is just as sweet*, said Shakespeare.

The first matter I need to clarify is that the Second Elected Member for West Bay has said as a fact, or purporting it to be a fact, that the Government announced that it had had an informal Cabinet meeting on 24 February. I heard it with my own ears.

That is not so. The informal Cabinet meeting that was referred to was 24 January. I just want to make that clear: There was no informal Cabinet meeting discussing this matter, that is, the matter of incentives for first-time Caymanian home and property ownership, on 24 February.

I made a careful note of what the Second Elected Member for West Bay said in that regard. He was mistaken.

I also want to make the point that 24 January is almost a month distant from the time that the Second Elected Member for West Bay filed his Motion in this House. In my view, I think in this case we can say that it is a happy coincidence that the Motion, brought by the Second Elected Member for West Bay, has precisely the same figures in relation to the two proposals as discussed and agreed at that informal Cabinet Meeting.

I should say that there were other persons in attendance at that informal Cabinet Meeting because we were discussing the whole question of Government's revenue register and the whole question of what matters should be addressed in relation to possible increases. In the context of that discussion we also discussed what incentives there could be, or ought to be, in relation to ensuring that Caymanians—particularly young Caymanians—were given every opportunity and advantage to get a piece of the rock.

So, Madam Speaker, I will leave it to others, including the conscience of the Second Elected Member for West Bay, to explain this happy coincidence of those figures. But I should say that contrary to what has been suggested by him in his interview with the *Caymanian Compass* and, subsequently, on the floor of this House as recently as this morning, I can assure him and this nation that we certainly have not copied anything from the Second Elected Member for West Bay and his proposal.

We are happy that the Opposition is prepared to agree to what we have proposed.

I also remind the Second Elected Member for West Bay that this honourable House and the country as a whole, that the Second Elected Member for West Bay was a part of a backbench supporting a government which was around for three and a half years. He and his Government had every opportunity to address this matter.

While I am very pleased that his conscience and his concern for the young people, in particular, of this country is being manifested in this way at this very late stage—better late than never!—I just want to remind all who may be persuaded by his dulcet tones and his charismatic speeches that, really, if you want to get something through, the time to make sure that you get something through is the time when you are a part of the government that is in office—not the time when you are in the Opposition and you are, therefore, dependent upon the good will and the good sense of another government.

Luckily for him, this Government, notwithstanding the measures that he has taken and all of the cute and fancy political dances that he has begun, is happy to support what he is proposing to do and to consider the other points which he has raised in this Motion. Cabinet is quite prepared to consider it. We are not giving any undertaking that we are going to

agree with it, ultimately, but we are quite happy to consider it.

Madam Speaker, I do not think that I need to draw out these proceedings any more, but I really could not have allowed the Second Elected Member for West Bay to get away with this cute little exercise which he started and continued this morning.

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

The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Speaker, I rise to say that the Government can consider the Motion as amended. I would wish, in making that statement, to go on to elaborate (as briefly as I can) some of the Government's statistics and thought processes that went into reaching the conclusion that the Government can consider exempting from stamp duty \$50,000 for all first-time Caymanian landowners, and exempting from stamp duty, \$200,000 for all first-time Caymanian homeowners.

Madam Speaker, the existing concessions are as follows: when Caymanians buy property in the Cayman Islands for the first time, stamp duty concessions are available to them on these purchases and the concessions are as follows:

Presently on raw land purchases the limit is for land up to CI\$35,000. The stamp duty payable on that transaction is zero. For general dwellings that are valued up to \$150,000, again, there is no stamp duty payable.

Madam Speaker, it has been eloquently said before that there are numerous reasons why these limits are no longer applicable. Those limits were put in place some three years ago. General inflation and (more relevant) the strong performance of the real estate sector, and the upward on prices on property, have meant that these prices are no longer realistic. The Government and the Members of the Opposition are confident and know that the general public believes that these limits are no longer realistic. Therefore, that was some of the reason justifying a revision to those limits.

I can honestly say that on 24 January 2006 Cabinet did meet for the purpose of considering the revenue register. The Register shows all of the different revenue sources in Government, the applicable laws and regulations that govern those rates, when they were last updated, et cetera. The purpose of that initial review was to begin considering possible sources of measures that the Government could put in place to generate the extra \$25 million in revenue that is needed during the upcoming 2006/07 year.

Madam Speaker, most, if not all, of the Cabinet Ministers were there. I was there, the Honourable Attorney General was there, and the Honourable Chief Secretary was also there. The discussion at that point in time as I recall it was heavily dominated on this particular item. There was considerable discus-

sion on it, and the introduction of bands and rates and so forth, the discussion must have taken about an hour or so, all tolled. I can say factually to the House, that the meeting did take place on the 24 January 2006, and that meeting was one in which revenue measures were being considered.

*[Interjections]*

**Hon. G. Kenneth Jefferson:** Madam Speaker, the Honourable Leader is suggesting that I repeat the date. The date of that informal meeting was 24 January 2006.

*[Interjections]*

**The Speaker:** Please stop the crosstalk to allow the Honourable Third Official Member to continue his debate.

**Hon. G. Kenneth Jefferson:** I just want to outline some very brief statistics that would be involved with the Private Member's Motion and its subject matter.

The Government is proposing that the current limit of \$150,000 on a dwelling being purchased and attracting no stamp duty, that that be increased to \$200,000. The stamp duty which the Government is forgoing on that transaction is actually \$10,000 because presently the rate is 5 per cent on \$200,000, which would be \$10,000. The Government has proposed, consistent with the Private Member's Motion, to reduce that 5 per cent and let it be zero, whereas it is now 5per cent.

So, \$10,000 on homes and other dwellings up to and including \$200,000, if we assume that there were 100 of those transactions at \$200,000 during the course of a year, the Government would forgo \$1 Million. That is a fairly substantial amount. Is that 100 a realistic figure? I got some information this morning from the Portfolio of Finance that gave an indication of the level of activity that is involved with Caymanians purchasing their properties for the first time. In 2004, if we concentrate on just dwellings, there were 97 applications for exemptions by first-time Caymanian homeowners. On raw land purchases it was 101 transactions in 2004.

Madam Speaker, in 2005 there were 90 transactions involving dwellings by first-time Caymanian homeowners for which they sought the zero per cent stamp duty exemption, and there were 76 transactions for raw land. When I used the number of 100 transactions, that number is realistic and is borne out by what took place during 2004 and 2005.

The point has been made that the figure in 2005 can be viewed as relatively low because of the impact of Hurricane Ivan spilling over into 2005 and we can reasonably expect a resurgence of activity in this area during 2006. Madam Speaker, I made the point that dwellings up to and including \$200,000 would involve the Government forgoing revenue of

\$10,000. That assumes that every one of those transactions occurred at the \$200,000 level and it is the case that not all of those transactions would occur at \$200,000. The fair comment would be that the potential revenue forgone figure can be up to \$1 million in respect of a \$200,000 transaction.

The Second Elected Member for West Bay is right in the sense that the Government's current proposal is that once we go over the \$200,000 threshold even by \$1 or by 1¢, a different level of stamp duty rate is applicable.

The Government has not gone the draconian route of, once you breach the threshold of \$200,000, we automatically apply a 5 per cent rate to that figure. The Government had proposed an introduction of a 2 per cent stamp duty rate for transactions, in the case of dwellings, between \$200,000 to \$300,000. We wish to apply 2 per cent on that. So, Madam Speaker, if someone were to buy a dwelling for \$300,000, 2 per cent on that would be \$6,000. The Government, when comparing with the present regime, would have given up 3 per cent; 3 per cent would be forgone on \$300,000 which would be \$9,000 per transaction. The Government considered at an earlier stage the suggestion which the Second Elected Member for West Bay is proposing of allowing the \$200,000 limit threshold to filter all the way through, regardless of the monetary value of the transaction. So, for example, under the proposal being made by the Second Elected Member for West Bay, a one million dollar transaction would have \$200,000 of it exempted, and a 5 per cent rate applied to the remaining \$800,000.

Madam Speaker, the present Government regime would say that the entire \$1 Million would attract a 5 per cent rate. The reason for that is that the Government recognises that it has a duty of care and responsibility to not give up its revenue base. The Government has taken consideration of the need from the public, that the rates need to be increased; but it also has kept at the back of its mind the fact that it is important to preserve its revenue base.

First-time Caymanian purchasers and, indeed, any member of the public, would not be very forgiving if they got the regime set out in the Private Member's Motion and then the Government subsequently comes along and says, *we were not quite sure of its impact, although we went ahead and did it, and now we find that the revenue is short and we can't give you the quality of roads that you would wish, we can't give you the quality of schools that you would like because we do not have the resources to fight it* and so forth.

So, the Government has a responsibility. . . [loud noise on tape] I do not know what happened there, Madam Speaker.

**The Speaker:** I think it is telephones that are on vibrate and when someone is speaking the micro-

phones are very sensitive, so could we turn the telephones off completely please.

Please continue Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

The Government did not go the draconian route of applying 5 per cent once the threshold is reached; it applied 2 per cent stamp duty rate for transactions in the case of dwellings between \$200,000-\$300,000, and that is what the Government is currently proposing.

The way forward on the Private Member's Motion is that the Government needs to continue the deliberations it has already started to determine what impact it would have on revenue if the Private Member's Motion were taken literally, in that the \$50,000 exemption on land, for example, would continue straight through regardless of the value of the land transaction, and the \$200,000 exemption threshold would continue regardless of the level of the transaction. We would need to consider what impact that would have on our revenue. Upon further analysis, the Government would be in a stronger position to be able to say what the impact would be if we adopted the Private Member's Motion of allowing the thresholds to continue regardless of the level of the transaction.

In my concluding remarks I say that, in spirit, the Government and the Second Elected Member for West Bay agree in principle and fact that there is a need for a change, an increase in the level of exemptions. We also agree that the level of responsibility of the Government is such that it needs to consider carefully whether those exemption limits filter all the way through.

So, at the moment, the Government has put forward a proposal which is a bit cautious in that it tries to preserve a bit of the revenue base of Government so as to be able to do the public good items such as roads preservation, good quality of roads, education, and so on, which is quite important. That is the position that the Government has taken. In principle the Government can consider the Private Member's Motion as is, and when the 2006/07 Budget comes before the House the Government would be in a position to say, prior to that, that the Private Member's Motion as is, whether we would adhere strictly to that, or whether we would revert to the position which the Government has taken in the form of introducing a 2 per cent stamp duty rate on certain banding of transactions.

Thank you, Madam Speaker.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I heard the Second Elected Member for West Bay mention receiving calls from individuals regarding this matter. I can say that I have been told by the Portfolio of Finance that they too have been inundated with calls. I wish to take this opportunity to say that, while accepting the Motion by way of agreeing to consider what is proposed, in our final decision the Cabinet will be looking very shortly . . . this is something that came to mind while listening to all that has been happening.

On Monday I was told about the Portfolio being inundated with calls. I think Cabinet will consider the situation very early and make a decision as to whether we are going to separate this issue from the regular budgetary procedure or whether what obtains presently will carry out through then. But we let everyone know that we are aware and we will give due consideration as quickly as we can.

Thank you, Madam Speaker.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? If no other Member wishes to speak does the Mover wish to exercise his right of reply?

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

The Government has put forward its position in regard to a way forward. I want to take this opportunity to remind us all that this first duty exemption regime was started many years ago. So, whilst the Minister of Education can get up in his usual style, and talk about matters and people in ways that he normally does, I just want him to know that the reason we are discussing this is because this regime was started around 1995. He made no reference and gave no thanks to those who started it because those who started it started something that was good for Cayman.

The Honourable Third Official Member also informed me on Monday that they average around 160 of these transactions per year under the old regime. So that itself speaks volumes to the good that the current regime has provided for Caymanians. We know that this type of incentive, as was originally provided had to spur Caymanians into real estate ownership.

I was greatly disturbed by what the Minister of Education had to say because, whilst there may be those in this House who believe that their only job is to listen mindlessly to those whom they politically support speak, I have always been a person who does not care what side of the House they are from—I listen critically. If I do not agree with them, I may not necessarily get up in this House and say it, but I will say it to them. That is my job and responsibility as a representative of the people; but, more importantly, as a parliamentarian.

Madam Speaker, the Minister said that I put forward the notion that there was an informal Cabinet meeting on 24 February. I will be kind and say that,

perhaps, I did have a slip of the tongue. It was at a press briefing on Friday, 24 February, that Government put this proposal forward. I did not know the date of the informal Cabinet Meeting. I only understood from the press briefing that they said they had one in January. So, if that is what I said, I am man enough to say that I was wrong in saying that and, therefore, apologise to the Government for upsetting the Minister of Education.

I followed very carefully the tone of the Minister of Education. He said, in very sarcastic language, that there was a happy coincidence in the figures in my Private Member's Motion. He also asked me to search my conscience. Madam Speaker, I search my conscience on a continual basis. I can tell the Minister of Education, to allay any of his fears, and to ally the fears of whoever else was in that informal Cabinet Meeting—because the Minister inferred from what he said that I must have gotten this information from someone that was there for me to come up with these happy, coincidental numbers (that is what the Minister inferred by what he said!)—I can look straight him in the eye man-to-man and say to him that I got this information from no one that was at his Cabinet Meeting! So whoever they may think potentially leaked this to me or any other Member of the Opposition, I can tell them that no such thing took place! I drafted this Motion with these numbers and spoke to my colleagues on the Opposition. They thought it was a good Motion and we submitted it.

Let us search more deeply and let us think and logic through this thing and let us see if we can rationalise what has been inferred by the Government, in particular by the Minister of Education. The informal Cabinet Meeting took place on 24 January. I looked at the Calendar, and according to my calendar the 24<sup>th</sup> of January was a Tuesday. The Government had the following week, Tuesday, the 31<sup>st</sup> January; the following week, Tuesday, 7<sup>th</sup> February; and the following week, Tuesday, 14<sup>th</sup> February. I am assuming (let me be absolutely cautious so that I do not upset the Honourable Minister of Education again) that there was a Cabinet Meeting on every one of those Tuesdays. Perhaps there was not. If there was not, then they can indicate to me and I will retract either of the three of those, but, to the best of my knowledge, Cabinet holds its meetings every Tuesday.

When I looked at the calendar there were three Tuesdays where this matter could have been dealt with! It could have also been dealt with on Tuesday, 21<sup>st</sup> February. But let us leave that one off because that came after I submitted the Motion on 20<sup>th</sup> February. I am being as fair and as kind as I can be.

The Government had a minimum of three Cabinet meetings before the deadline for motions. The Standing Orders clearly have a deadline for the submission of motions, and the deadline for this meeting of the House was 20<sup>th</sup> February. Let us think about it very clearly and soberly. If I, or any other



Member of the Opposition, was given the information that this is what Government was considering, why would we have waited around and not submitted the motion? We got a letter from the Clerk of this honourable House from January saying when the House would be called and clearly telling us the deadline for parliamentary questions and motions.

I knew that this would be a very popular motion and I believed that it was something that was for the good of this country so we would have jumped at the opportunity and got the Motion to this honourable House as quickly as possible. It is only a 15 minute drive in mid-morning when traffic is over to get here from West Bay. We would have raced here to submit this motion to the Legislative Assembly to make sure that the Government did not get any opportunity to bring this before we could have. That would have been the politics we would have played—if we had done what the Minister of Education is trying to infer is the situation.

Moving this is something of absolute importance for the Cayman Islands. I think both sides of the House clearly recognise that the current rates are outdated—\$35,000 is just a ridiculously low amount to have a cut-off for the purchase of a house lot and \$150,000 for a dwelling in Grand Cayman.

I would have thought that the Government would have announced at an earlier forum, or stage a party conference that this is the intention, this is the way forward, that this is something that they were looking to do. I cannot believe that something this important and something that they know . . . I mean no government has to doubt whether or not this is meets two very important tests: 1) it is for the good of Cayman and Caymanians; and 2) it will find itself being very popular.

Madam Speaker, I also say that, whilst there is potential duty forgone by increasing these amounts, there is going to be offsetting revenue. When people buy a dwelling place they are more than likely going to have to furnish it—and that attracts duty. There are numerous other financial gains that would happen and will be a knock-on from more people investing in property and buying homes.

The Minister questioned why it was that for three and a half years I did not bring this particular Motion. I am now a Member of the Opposition and I am bringing it now because it meets those two tests. I knew it is no way that this Government or any government could reject a Motion like this because it is for the good of Cayman and it is going to be popular. It meets the two tests that you cannot reasonably reject a motion on.

I ask the current Minister of Education . . . he has been in this honourable House as long as I have been, and he never brought it.

**Hon. W. McKeever Bush:** Right!

**Mr. Rolston M. Anglin:** He never brought a motion for it.

**Hon. W. McKeever Bush:** No.

**Mr. Rolston M. Anglin:** He was a supporting Member of Government for a year and he never brought a motion then. So it is a little boyish thing, right, of coming to this House like immature parliamentarians talking about looking at the past instead of trying to build constructively, instead of trying to show this country that we are getting somewhere!

**Hon. W. McKeever Bush:** Hear, hear, hear, hear!

**Mr. Rolston M. Anglin:** Madam Speaker, let me tell you something: We see the problems that have in this society and there are many who say that the House, your Parliament, is simply a microcosm of what the society is and the behaviour of the Minister of Education today certainly indicates that. It indicates the problems that we are having in the society.

We have this problem of Caymanians, we cannot see one Caymanian do anything or try to get anywhere before we start tearing down. So, Madam Speaker, what has the Government in a bind is that I have in my possession and in the records of this House that a Private Member's Motion was submitted on 20 February 2006, before they made any public utterance in regard to revising and revamping the stamp duty exemption for first-time Caymanian property owners. Because they cannot factually come to this country and say that they did it and did so without the provocation and without the Opposition bringing it, they come now and say *let us tear down the Opposition, let us tear down our own because we need to give them some licks and put the political spin on this, we need to have this spun back in our favour.*

How pathetic!

[Interjections]

**The Speaker:** Please stop the crosstalk.

As the Second Elected Member for West Bay just said, we must be mature as representatives of the country.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker. They are trying to throw me off-track but you've known me for a long time and you know that when I feel as though I have had injustice done to me they can talk all they want. But at the end of the day I am hearing none of it, because it is just as unhelpful and unbeneficial as the contribution that was made by the Honourable Minister of Education.

Madam Speaker, we know that this program was started a long time ago. The Government of that time should be given every credit now that we are revamping it. But that is not the style of some members of this House. As I understand it, it was the for-

mer Government that the current Honourable Minister for Education had a lot to do with defeating in the year 2000. I, myself, ran against that Government in 2000. But facts are facts, and you cannot change history. At least let us put it this way: the current Opposition cannot change history. I do not know about the Government. They seem to have a magic wand that they are waiving so perhaps they can do that as well.

**The Speaker:** Honourable Second Elected Member for West Bay, are you coming to a close or would this be a convenient time to have the morning suspension?

**Mr. Rolston M. Anglin:** Madam Speaker, I am coming to a close.

**The Speaker:** Please continue then.

**Mr. Rolston M. Anglin:** Madam Speaker, the Government has said that they are going to move forward, they are going to look at the matter and they are going to do their research. That is good to hear. I encourage them to look very carefully at the regime and make sure that whatever comes out as a final product is one that is easy to follow for the general public. I know that once you start getting layers and different scenarios, for example, on raw land \$0-\$50,000 is duty exempt, but what I am hearing proposed is that once it goes from \$50,001 up to \$75,000 anything in that bracket is going to attract 2 per cent.

There is some confusion out there, and I think this is what happens when you get positions being put forward in the press and not a definitive position emanating from the Government.

Nothing has been said thus far about Cayman Brac, but I presume that whatever holds there will remain in terms of the exemption where I think it is that once you are a first-time property owner you are exempt, once you buy and build within two years in the Brac.

Both Members from Cayman Brac are nodding their approval.

I am not sure if it is first-time buyers or investors in the Brac, period.

Okay, once you buy and build in the Brac, so it is an economic incentive open to everyone in Cayman Brac. This does not impact that, so I thought we should take this opportunity to clarify that particular point.

Madam Speaker, in summary, I say to this House and the listening public, ultimately, why would I and other Members of the Opposition wait until 20<sup>th</sup> February—the last possible day that we could have submitted a motion—to submit a motion that everyone in this House knows is for the good of these Islands, for the good of Caymanian and is one that is unequivocally popular? There is no doubt as to whether this would be popular or not.

As an Opposition Member one of the things you must go through in your mind when you are coming up with a motion is some motive for putting forward the motion. In having that motive you have to go through in your mind and come up with the reality of how you think the Government will react. This is one of those motions that I consider would put any government in a bind. Which government could realistically come out and not accept and deal with a motion such as this?

That also tells every Member of this House and the country that any Member, irrespective of where they have sat for the past four and a half years, could have brought a motion like this and feel very certain that they would have gotten the support of whomever the government was at the time. I have absolutely no doubt in my mind about that. Which government would have realistically shot down a motion such as this and say that they were not going to support it? They could not do it because you know that the next time you fact the polls, whoever was the Opposition and whoever was bringing this motion would put you before the public and say how can you say that you are for Caymanians if you did not support this motion.

Madam Speaker, I say that the only person that has to have a search of the conscience is the Honourable Minister of Education. He needs to search his conscience as to why he did not bring it, because absolutely, positively, the UDP or the Government that existed from 2000/2001 would have supported this motion—he knows it; the House knows it and the public knows it.

I hope that the Government understands that they are not going to get up in this House with any old *ya-ya* and think that they took licks. I tell every one of them to ask anybody that listens to this debate and you will find out who was on the receiving end.

**The Speaker:** That concludes debate on Private Member's Motion No. 4/05-06 as amended. "BE IT RESOLVED THAT Government considers exempting from stamp duty CI\$50,000 for all first-time Caymanian landowners and exempting from stamp duty CI\$200,000 for all first-time Caymanian homeowners."

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

**Ayes.**

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

**Agreed: Private Member's Motion No. 4/05-06, as amended, passed.**

**The Speaker:** Proceedings will be suspended for fifteen minutes.

**Proceedings suspended at 11.55 am**

**Proceedings resumed at 12.17 pm**

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

**Private Member's Motion No. 1/05-06****Hospitality Services Training Centre**  
(Withdrawn)

**The Speaker:** I call on the Honourable Leader of the Opposition.

**Standing Order 24(14)**

**Hon. W. McKeever Bush:** Madam Speaker, under Standing Order 24(14) I move to withdraw Private Member's Motion No.1/05-06, to be brought back at a later date.

**The Speaker:** Is there a seconder?

**Mr. Rolston M. Anglin:** Madam Speaker, I beg to second the Motion.

**The Speaker:** The question is that Private Member's Motion No.1/05-06 be withdrawn under Standing Order 24(14).

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

**Ayes.**

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

**Agreed: Private Member's Motion No. 1/05-06 withdrawn.**

**Private Member's Motion No. 03/05-06****Public Sector Health Insurance Coverage Reform**

**The Speaker:** I call on the Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, I beg to move Private Member's Motion No. 3/05-06, entitled, Public Sector Health Insurance Coverage Reform, which reads:

**BE IT RESOLVED THAT the Government considers restructuring its health insurance coverage to public officers to ensure that employees of Government owned companies and statutory authorities have no less favourable coverage than employees who are covered within central Government.**

**The Speaker:** Is there a seconder?

**Capt. A. Eugene Ebanks:** Madam Speaker, I beg to second the Motion.

**The Speaker:** Private Member's Motion No.3/05-06 has been duly moved does the Mover wish to speak thereto?

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

The insurance coverage of public servants/public officers has been a point that has changed dramatically (certainly since my time as a Member of the Legislative Assembly) I think the major change came with the collapse of the contract which Government had with Caribbean Home Insurance Company.

In the private sector, employers have to procure for employees certain minimum standards of health insurance coverage and then negotiate with those employees how the cost of such will be shared. Government had a similar policy in place whereby, through Caribbean Home Insurance Company, it was offering health coverage to civil servants.

As I understand it, all statutory authorities and government owned companies, through their respective boards of directors, elect how health coverage is extended to their respective employees. That is whether or not they would go under the Government scheme at the time or elect to go with a private health insurance provider.

I would like to quickly refer to the new Public Service Management Law, which was passed in this honourable House just a few short months ago. It has within it the definition of public servant—a person employed by a civil service entity or an employee of a statutory authority or government company. It goes on to have a public servants code of conduct, et cetera. Not only is the relationship of employees of statutory authorities and government owned companies formalised within that Law, but also all of the statutory authorities and government owned companies in the Cayman Islands are wholly owned entities of the Cayman Islands Government.

Within the public service an employee of the Cayman Islands Government is covered under the Cayman Islands Government health program. Basically they get 100 per cent coverage and there is no direct contribution from the employee. If they need to be referred to a service provider outside of Government, whether a local or overseas health practitioner, they have a process to go through whereby they get authorisation from the Chief Medical Officer. Once that has been received, the Government along with CINICO then procures the services for that person and makes the arrangements for them to receive their medical services.

What happens within the public service in statutory authorities and government owned companies where those entities elect to go with a private sector insurance provider is that those employees are left to whatever is carved out within their policy as defined benefits under that policy. They will have a

process to go through with their health insurance company to get approval for certain types of services, the major ones have to be arranged and approved by the provider then they go through the process of seeing the health agent whether in another country or locally. In the majority of cases where there is major surgery involved, that employee gets a certain percentage covered (with is about 80 per cent). To use an easy number, if someone has to have major surgery, and that surgery will cost \$100,000, the health insurance provider will cover \$80,000 and they would have to provide \$20,000.

Someone working for either core Government or one of the government owned agencies (statutory authority or government company) who has elected to go with the public sector health coverage would have to go through the process of getting the CMO to approve it. Once that is done, all the necessary arrangements are made and in terms of the medical cover it is covered 100 per cent by the Cayman Islands Government.

So it is for that small gap, as we perceive it, within the wider public service, that this Motion is seeking to address. It seeks to address public officers who have private health coverage which falls below 100 per cent, especially in those cases where it is major surgery.

What is even more disadvantageous to those persons who find themselves in that unfortunate situation is that, not only do they fall through the cracks in that instance, they are also contributing to the cost of their health coverage directly out of pocket. So the vast majority of them would have X number of dollars withheld from their paycheck to go toward procuring their health insurance cover.

We believe we cannot have a situation where, from a health insurance perspective, there are two different classes of public servants created—one which receives 100 per cent coverage from the Cayman Islands Government and those who only received benefits as carved out in their specific contract with a private health insurance provider.

I know that there would have to be some work in getting that more equitable on the part of Government, but I do believe that in consultation with those government owned companies and statutory authorities that is something that could be done through CINICO just as all other public officers who are covered under the Government's health programme are covered just for that incremental amount that is required to keep those employees up to the same standard as all other public officers.

We believe that this Motion is one that is very worthy of consideration and acceptance by the Government. We believe it is one that would help in addressing the what is currently a gap is the public service health insurance coverage that is afforded to all public servants within the Cayman Islands.

With that very short contribution, I encourage the Government to give this Motion favourable con-

sideration. More importantly, once that is done, to reform the public service health insurance regime to ensure that we do not have persons who have to have major surgery left with having to try to come up with large sums of money. I know of a few cases, one that is currently going on where a person is going to have to try and raise around \$30,000, which is a lot of money for that individual to try to raise.

Thank you, Madam Speaker.

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

Honourable Minister responsible for Health.

**Hon. Anthony S. Eden:** Thank you, Madam Speaker. I rise to make my contribution in response to the Motion brought forward by the Second Elected Member for West Bay. Government acknowledges the concern expressed there. We will certainly consider and have this looked at in due course.

At this time I would like to give an outline on the government companies and statutory authorities (for the benefit of the listening public) of the benefits so that they understand the difference between that and the civil service.

Over the course of the past ten years Government has embarked on a campaign of greater autonomy for key central government agencies by establishing separate self-managed statutory authorities and government owned companies. There are at present 27 of these entities in the Cayman Islands. Of great importance in establishing these statutory authorities and government owned companies was to grant the same degree of independence and autonomy as ordinary privately owned companies.

Each of these authorities established in law has their own board of directors to determine strategic objectives; a managing director and management team to implement strategy; and is funded at a level necessary to meet its own specific market objectives. Furthermore, statutory authorities and government owned companies are not bound by Government's General Orders.

In the course of the planning stages to establish each authority and government owned company, strong consideration was given to the staff salary and benefit levels of each agency. It was decided that in order to establish the independence of each authority they should be given the autonomy to determine their own benefits, and one of them would be the health insurance salary levels. This would allow the authorities to compete against the private sector for skilled but very important staff members.

There are presently seventeen statutory authorities and government owned companies which have secured private insurance and I think this is the one which the honourable Member was referring to. Yes, there is a gap of approximately 20 per cent where, generally in the private sector health insurance, they pay 80 per cent and the individual is then

required to find the other 20 per cent. When you look at trauma or serious illness over a couple of hundred thousand dollars, that can add up to a significant amount.

The average cost per family (of these private sectors) is \$700 per month of which the employer pays 50 per cent and the person pays the rest. Each plan generally requires an annual deductible and co-payments of 20 per cent, and usually has a lifetime maximum benefit.

I am pleased to note that ten of these authorities and government owned companies have chosen to elect similar coverage to that which is provided to civil servants. Each of these authorities and government companies would pay approximately \$370 for each of these individuals. The other 17 authorities and government companies are insured through the private industry and we will be looking at this.

As a matter of fact I have asked the General Manager of CINICO to come along and take notes so that we can impress our concern of this gap on the Board. Once we have studied this I am prepared to bring the information back to this honourable Legislative Assembly.

Thank you.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? If no other Member wishes to speak, does the Honourable Mover wish to exercise his right of reply?

**Mr. Rolston M. Anglin:** Madam Speaker, just to thank the Honourable Minister for his contribution and acknowledgment of the seriousness of the situation and just to summarise by saying that under the new Public Service Management Law all these employees that we are talking about fall within the definition of public servant and are therefore required to uphold the Public Servant Code of Conduct.

However, where they start to diverge is on the basis that they have to contribute monthly to a health insurance plan. The average family plan is about \$700 and the employee is contributing about 50 per cent (which is about \$350) per month. Having done all of that—and the person who is under the wider government plan not having to contribute anything directly out of pocket—they then have to deal with picking up a very large percentage of the cost of coverage.

I want to make it clear that we are not suggesting that anything needs to particularly happen with their current existing contract with private health insurance companies, and we are not suggesting that private health insurance companies need to revamp their contracts as they are in existence right now with government owned companies and statutory authorities. What we are looking at is from the Government's standpoint, with the Government looking at those classes of individuals and saying, *We understand the cover that you have taken out and you have elected*

*to take out. Just to make you uphold an equal to your other respective public servants who are under the Government cover, we will make up the incremental.* I think that is one of those rare situations where I think we can have a win/win situation. Government does not have to foot the entire bill of providing the coverage to those particular individuals; they are contributing toward their health coverage. We are simply saying that in any areas where their plans do not provide 100 per cent that they be made up whole and be equal to the other public servants.

Madam Speaker, I thank you for the opportunity to speak on this Motion. I thank the Minister and Government for their consideration. I hope that within a very short period of time because with every passing day there is somebody who could either, through accident or through finding out of some illness, would be falling into this category of persons. We know that when it is major and when they have to go overseas the cost is quite substantial. It is very stressful on those families having to deal with those types of situations.

Thank you, Madam Speaker.

**The Speaker:** The question is: "BE IT RESOLVED THAT the Government considers restructuring its health insurance coverage to public officers to ensure that employees of Government owned companies and statutory authorities have no less favourable coverage than employees who are covered within central Government."

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

**Ayes.**

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

**Agreed: Private Member's Motion No. 3/05-06 passed.**

**The Speaker:** Proceedings will be suspended until 2 pm.

**Proceedings suspended at 12.39 pm**

**Proceedings resumed at 2.01 pm**

**GOVERNMENT BUSINESS**

**BILLS**

**COMMITTEE ON BILLS**

**House in Committee at 2.02 pm**

**The Chairman:** Please be seated.

The House is now in Committee. With the leave of the House may I assume that as usual we

should authorise the Honourable Second Official Member to correct minor errors and such like in the Bill?

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

### **The Notaries Public (Amendment) Bill 2005**

**The Clerk:** The Notaries Public (Amendment) Bill 2005.

#### **Clause 1**

**The Clerk:** Clause 1 Short title

**The Chairman:** The question is that Clause 1 forms part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed:** Clause 1 passed.

#### **Clause 2**

**The Clerk:** Clause 2 Amendment of the Notaries Public Law (2004 Revision)

**The Chairman:** Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Chair, in accordance with the provisions of Standing Order 52(1) and (2), I, the Third Official Member, move the following amendment to the Notaries Public (Amendment) Bill, 2005: That the Bill be amended by deleting Clause 2, and substituting the following clause: "The Notaries Public Law (2004 Revision) is amended by repealing section 7 and substituting the following section:

'7. Each notary public shall, in respect of each year after the year upon which his name was first entered upon the register, pay to the Treasury on or before the thirty-first day of January in such year the following sums -

(a) in the case of a notary public resident in Cayman Brac or Little Cayman, the sum of two hundred and fifty dollars; and

(b) in the case of any other notary public, the sum of five hundred dollars;

'and where such person has not paid the said sum within the time specified, his appointment as a notary public shall lapse and he shall no longer perform any notarial act.'"

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

If no one wishes to speak I will put the question that the amendment stands part of the clause.. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Amendment to Clause 2 passed.**

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

**Agreed: Clause 2 as amended passed.**

**The Clerk:** A Bill for a Law to increase the annual fees payable by Notaries Public.

**The Chairman:** The question is that the Title forms part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Title passed.**

### **The Succession (Amendment) Bill 2006**

#### **Clauses 1 – 4**

**The Clerk:**

|          |                                                                                                                      |
|----------|----------------------------------------------------------------------------------------------------------------------|
| Clause 1 | Short title.                                                                                                         |
| Clause 2 | Amendment of section 29 of the Succession Law (2004 Revision) - succession to real and personal estate on intestacy. |
| Clause 3 | Insertion of section 35A in the Succession Law (2004 Revision) – presumption of survivorship.                        |
| Clause 4 | Savings and transitional provisions.                                                                                 |

**The Chairman:** The question is that Clauses 1 through 4 do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clauses 1 through 4 passed.**

**The Clerk:** A Bill for a Law to amend the Succession Amendment Law (2004 Revision) to make provision for a presumption of survivorship in the case where two or more persons have died in circumstances rendering it uncertain which of them survived the other or others; and for incidental and connected purposes.

**The Chairman:** The question is that the Title form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Title passed.**

**The Chairman:** The question is that the Bills be reported. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: That the Bills be reported to the House.**

**The Chairman:** That concludes business in Committee.

#### House resumed at 2.07 pm

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

### REPORTS ON BILLS

#### The Notaries Public (Amendment) Bill 2005

**The Speaker:** The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Speaker, I beg to report that a Bill entitled the Notaries Public (Amendment) Bill, 2005, was considered by a Committee of the whole House and passed with an amendment.

**The Speaker:** The Bill has been duly reported and is set down for Third Reading.

#### The Succession (Amendment) Bill 2006

**The Speaker:** The Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to report that a Bill entitled the Succession (Amendment) Bill, 2006, was considered by a Committee of the whole House and passed.

**The Speaker:** The Bill has been duly reported and is set down for Third Reading.

### THIRD READINGS

#### The Notaries Public (Amendment) Bill 2005

**The Speaker:** The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Speaker, I beg to move that a Bill entitled the Notaries Public (Amendment) Bill, 2005, be given a third reading and passed.

**The Speaker:** The question is that the Bill entitled the Notaries Public (Amendment) Bill, 2005, be given a third reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: The Notaries Public (Amendment) Bill, 2005, given a third reading and passed.**

#### The Succession (Amendment) Bill 2006

**The Speaker:** Honourable Second Official Member.

**Hon. Samuel W. Bulgin:** Madam Speaker, I beg to move that a Bill entitled the Succession (Amendment) Bill, 2006, be given a third reading and passed.

**The Speaker:** The question is that the Bill entitled the Succession (Amendment) Bill, 2006, be given a third reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: The Succession (Amendment) Bill, 2006, given a third reading and passed.**

**The Speaker:** That concludes the Order of the day. I will entertain a motion for the adjournment of this honourable House.

### ADJOURNMENT

**Hon. D. Kurt Tibbetts:** Madam Speaker, I would like to inform Members that the earliest date for the government business that remains to fall within the 21 days is on Monday. We would not have any other business since all of the private members' motions have been disposed of. Therefore, I would ask for this honourable House to be adjourned until Monday, 6 March 2006, at 10 am.

**The Speaker:** The question is this honourable House adjourns until Monday, 6 March 2006, at 10 am.

The Honourable Leader of Government Business is asking Members to be prepared to work late on Monday evening. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**At 2.11 pm the House stood adjourned until Monday, 6 March 2006, at 10 am.**



**OFFICIAL HANSARD REPORT**  
**MONDAY**  
**6 MARCH 2006**  
**11.17 AM**  
*Third Sitting*

**The Speaker:** I call on the Minister of Education, Training, Employment, Youth, Sports and Culture to say Prayers.

**PRAYERS**

**Hon. Alden M. McLaughlin, Jr.:** Let us pray.

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

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

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

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

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

**Proceedings resumed at 11.20 am**

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

**Apologies**

**The Speaker:** I have received apologies for absence from the Third Elected Member for the district of

George Town, who will be attending a seminar in London from the 6<sup>th</sup> to the 17<sup>th</sup> of March.

Before we go on to the next item, I would like to apologise for the late start of the Legislative Assembly this morning. Our recording officer is ill; therefore, we had to seek out someone else to assist us. The Business Committee was late in having its meeting as the Chairman of that Committee was ill on Friday, and it was supposed to have resumed at nine o'clock this morning but we did not have a quorum.

Madam Clerk.

**Suspension of Standing Order 23(7)**

**The Speaker:** We require Standing Order 23(7) to be suspended to allow questions to start and go beyond eleven o'clock.

Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. I so beg to suspend Standing Order 23(7).

**The Speaker:** The question is that Standing Order 23(7) be suspended. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Standing Order 23(7) suspended.**

**Suspension of Standing Order 23(6)**

**The Speaker:** We need a suspension of Standing Order 23(6) also to allow more than three questions, appearing upon the Order Paper in the name of the same Member, to be asked.

Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. I beg to move the suspension of Standing Order 23(6) to allow more than three questions, appearing on the Order Paper in the name of the same Member, to be asked.

**The Speaker:** The question is that Standing Order 23(6) be suspended. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Standing Order 23(6) suspended.**

## QUESTIONS TO HONOURABLE MINISTERS/MEMBERS OF THE CABINET

**Question No. 43**  
(deferred 27 February 2006)

**No. 43: Mr. Cline A. Glidden, Jr.** asked the Honourable Leader of Government Business, Minister responsible for District Administration, Planning, Agriculture and Housing what Crown land, if any, has been sold in the last eight months.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you.

Madam Speaker, no Crown land has been sold in the last eight months.

**The Speaker:** Any supplementaries?

If not, we move on to question number 44, standing in the name of the Third Elected Member for West Bay.

**Question No. 44**  
(deferred 27 February 2006)

**No. 44: Mr. Cline A. Glidden, Jr.** asked the Honourable Leader of Government Business, Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing what leasehold Crown Property has had the lease extended or been converted to freehold in the past eight months.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the only Crown property where the lease has actually been extended in the past 8 months is the land occupied by The Ritz Carlton 12C 394 & 393. This variation of the lease was actually agreed in 1998 but was only completed and signed in November 2005, whereby the lease is now for 99 years from 16 November 2005.

No leases have been extended to Freeholds.

**The Speaker:** Supplementaries?

We'll wait for a moment while the answer to the question is distributed to Members. *[pause]*

Are there any supplementaries?

If not, we will move on to question 45, standing in the name of Third Elected Member for West Bay.

**Question No. 45**  
(deferred)

**No. 45: Mr. Cline A. Glidden, Jr.** asked the Honourable Minister responsible for Communications, Works and Infrastructure what are the amounts that have been spent on district and national road works in the last eight months, broken down by district, amount spent, type of work completed.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, I beg to defer this question to a later sitting. I only recognised earlier that there was a duplication of some of the numbers. The numbers are all correct except that there is a duplication of them in the answer.

**The Speaker:** The question is that Question No. 45 be deferred to a later sitting. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Question No. 45 deferred.**

**The Speaker:** Question number 46 stands in the name of the Third Elected Member for West Bay.

### Question No. 46

**No. 46: Mr. Cline A. Glidden, Jr.** asked the Honourable Minister responsible for Communications, Works and Infrastructure what is the estimated cost of the continuation of the Esterley Tibbetts Highway to Governor's Harbour including the road works and land acquisition; and where is the money for the ongoing works, that was not in the current year's Budget, coming from.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, The estimated cost of the continuation of the Esterley Tibbetts Highway (Phase 3) to Governor's Harbour, including the roads works and land acquisition, is \$21,113,696 broken down as follows:

- \$16,450,804 for the road works to be completed by the Government.
- \$2,312,892 to be completed by the Ritz Carlton developers, which has been estimated by the National Roads Authority and
- \$2,350,000 for Land Acquisition.

In the 2005/06 approved budget, there is \$3.0 million allocated for the ongoing works at the Esterley Tibbetts Highways (Phase 3). The ongoing works

which will take us just past Snug Harbour is estimated to cost C1\$3,000,000.

### Supplementaries

**The Speaker:** Are there any supplementaries?

Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Madam Speaker, I thank the Minister for the answer. I just need a bit of clarification. When he says that the ongoing works will take us “just past Snug Harbour” is that to the connection to the Ritz-Carlton?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

The \$3 million that was approved in this year’s Budget has taken us about 200 feet past Snug Harbour Drive, just before we get into the property behind The Strand Development.

**The Speaker:** Are there any further supplementaries?

Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Madam Speaker, could the Minister then explain, if it is going to cost us \$3 million to do the work up until that spot, and the Ritz-Carlton is paying for the rest through their property, and the remaining is going through the Governor’s Harbour; am I correct in understanding that the remaining piece from The Strand to the Ritz-Carlton property, and then the piece from the Ritz-Carlton property going to Governor’s Harbour, is going to be \$18 million?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure?

**Hon. V. Arden McLean:** Madam Speaker, I think the answer the Member is looking for is the completion, as it was announced, whereby 30<sup>th</sup> June it will be driveable in the vicinity of the Indies Suites.

The remaining funds of \$13,450,804 (which is not in the current year’s Budget), is expected to be funded in the following manner: \$7,414,218 supplementary funding in the 2005/06 financial year, the Government will be seeking approval from the Finance Committee to use savings identified in the Ministry of Education’s budget to fund acceleration on this road.

The money that is requested will be used as follows:

- \$2,161,645 to partially complete section 3 from Snug Harbour to Canal Point.
- \$2,804,651 for section 4, Canal Point to the Ritz-Carlton.

- \$687,809 for section 6, SafeHaven to Lime Tree Bay.
- \$1,760,113 for section 7, Lime Tree Bay to the Indies Suites.

**The Speaker:** Are there any further supplementaries?

Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Thank you, Madam Speaker.

I thank the Minister for attempting to clarify my concerns. However, my question as to the work from the Ritz-Carlton on, which is the piece from Lime Tree Bay and the piece from Lime Tree Bay to Governor’s Harbour . . . it appears that should be the least amount of expenditure expected since the base of that work would have already been there, and the Ritz-Carlton is obviously paying for their property.

The biggest amount of expenditure should be from the Ritz-Carlton going, from what I would term, east to the existing roundabout by the Hyatt.

My question is directed to the breakdown. Where it says that \$3 million is allocated to obtaining that portion, it appears that the major part of the expense would be on the section being worked on now.

**The Speaker:** Honourable Minister responsible for Communications, Works & Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

To some extent the Member is correct, but from the existing roundabout behind the Lone Star, to just a couple hundred feet past Snug Harbour, there was \$3 million in this budget for that. That is to have it completed—the paving, the curbing and the likes—sometime in May. The rest of the road will not be completed with curbing, asphalt and so forth; it will be chip and spray.

*[Inaudible interjection]*

**Hon. V. Arden McLean:** The reason it was decided to complete the road through the Hyatt area is because of the commerce in that area. We are going to completely finish in that location instead of just chip and spray it. However, the rest of the road will be done in chip and spray because right behind The Strand we are going to have to use geo-textile material to prevent us from having to dig so much mud out of that area, which is extremely costly.

The figure I gave of just under \$3 million, which covers from Canal Point to the Ritz, is not to have it totally completed, it is simply to have just chip and spray, no curbing and so on. We have to wait for awhile for it to settle in order to get it to a condition for geo-textile so that we can complete the asphaltting on it to prevent it from being destroyed by heavy traffic.

**The Speaker:** Are there any further supplementaries?

The First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

Could the Honourable Minister be kind enough to clarify who will actually be constructing the road that the Ritz-Carlton is responsible for, as in 'A' bullet point two, where it refers to \$2,312,892 to be completed by the Ritz-Carlton? Will this be done by the Ritz-Carlton, or by the National Roads Authority (NRA)? If by the Ritz-Carlton, would it not have been more prudent to have an actual figure rather than an estimate?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, when the NRA did the estimates on the road to the Indies Suites they estimated what it would cost the Government to do that portion of the Ritz, if the Government was required to do it. Therefore, they included all of that in the cost of doing the road. There was an agreement with the Ritz developer, Mr. Ryan, to do that road; the only reason I put it in here was to give some clarity on what we estimate it would cost to go through there.

I can say that initially the Ritz was given permission to go over that road again with another road such as the pedestrian crossing over West Bay Road. I was not overly excited about it, and, thankfully, Mr. Ryan saw the validity in going under the road instead of over the road to accommodate the property on the east side of the Ritz-Carlton where, I think, a new development has commenced. Rather than going over the road, the east side of the Ritz will now go left only, off the main highway. There will be a little bridge over where the canal breaks and underneath there will be a road for the golf carts to get from one side to the other.

They are currently in discussions with the NRA, who are overseeing the construction details of the road, to ensure that it meets the standards required by law, the NRA and the Government.

**The Speaker:** Are there any further supplementaries?

First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

Could the Honourable Minister perhaps clarify whether or not the Ritz-Carlton's intention is to build another Lady Diana tunnel when he says "under the road"?

**The Speaker:** Honourable Minister responsible for Communication, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, I do not know if they are going to name it the Lady Diana Tunnel, but the canal across there is, I think, about 40 feet wide. What they are trying to do is facilitate the boats going under the bridge, so the bridge will probably be about 10 feet from the high-water mark underneath, so they can put small boats underneath. Somewhere within those 10 feet we will have a little track alongside the canal, down below the bridge for golf carts to travel to and fro.

Madam Speaker, the road is 100 feet wide. There will be a bridge over the 40-foot wide canal that goes across that road. Ten feet from the bottom of that bridge, down to the high-water mark and underneath that bridge, also will be a little track where the golf carts can get from the actual Ritz hotel over to the east side of the property.

**The Speaker:** I will allow one more supplementary.

Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Madam Speaker, if the Minister could clarify in regard to the \$2.3 million he mentioned that was estimated by the National Roads Authority. Earlier on in one of his answers he mentioned that he has a figure of some \$3 million for the piece from The Strand to the Ritz-Carlton but it is not to be completed. Just from my memory those two distances would seem to be pretty similar across the Ritz property and from The Strand to the Ritz. I wonder if this figure of \$2.3 million would be completed, and, if so, whether it was because of ground conditions being so significantly different from The Strand to the Ritz for completion. When he talks about constructing a tunnel and a bridge on the Ritz property, \$2.3 million seems to be relatively inexpensive compared to the amount that he gave earlier in relation from The Strand to the Ritz.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, when the NRA estimated the road building across the Ritz, we have to keep in mind a couple of things: They were assuming that the canal was going to be filled. The Ritz is, by and large, already filled in.

The developer requested that he not be made to fill in that canal which brings it right up to the hotel. Then he would put a little bridge over that canal in order to have access to the boats which is fine. This cost, I am sure, is going to be much more to build a little bridge over that because that will span probably 300 feet along that road and 100 feet wide.

The Member also inquired from The Strand down to the Ritz. Yes, there is difference in what we have to deal with there. In some areas we are in excess of 20 feet of peat, and that is where the big cost is at because there is a roundabout just a few hundred yards

from the Ritz' south boundary that we also have to fill in.

Currently, the NRA is trying to stabilise a road to the canal point behind the Ritz because that was just built on peat, and for us to dig that peat out along that road we have to stabilise the pipes and utilities. All of that has to be done, all of the peat has to be dug out, and some 1,000-1,500 feet of the road will require geo-textile underneath it, thus the increase in cost.

**The Speaker:** Question 47 stands in the name of the Third Elected Member for the district of West Bay.

#### Question No. 47

**No. 47: Mr. Cline A. Glidden Jr.** asked the Honourable Minister responsible for Communications, Works and Infrastructure what is the Government's position concerning local content on Radio stations.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

Madam Speaker, the Government supports the broadcasting of local content by radio stations in the Cayman Islands. This is evidenced by its ongoing support and development of Radio Cayman. Radio Cayman first developed a local talk show, and other radio stations are following suit as this has proven to be a very popular medium for public discourse, the airing of local opinions and the broadcasting of local dialect.

It is our belief that all our broadcasters have a civic responsibility to maximise the use they make of local content, musical or otherwise. Accordingly, I plan to meet with the broadcasters in—Madam Speaker, I have here the first week in March, but that did not pan out, it is expected sometime later, as soon as I come back from my trip—to discuss these matters with them, to remind them of this obligation and to encourage them to improve upon their present performance.

I am aware that the Cayman Musicians and Entertainers Association would like Government to go further by enacting legislation and by instituting regulations or licence amendments that would mandate the playing of at least two local songs every hour. We are all aware of how local music aids with the development of the local industry and promotes local culture.

This may seem to be a simple solution, but in practice it is fraught with many difficulties. I therefore see this type of legislation as a last resort solution that I will consider only if other initiatives fail. I remain hopeful, however, that the broadcasters will voluntarily cooperate with Government to achieve a satisfactory resolution of this issue. Radio Cayman will lead by example, and I plan to have it partner with CITN to

inject more local community based programming into not only radio but television.

#### Supplementaries

**The Speaker:** Are there any supplementaries?

Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Thank you, Madam Speaker, and thanks to the Minister. I am sure the Cayman Musicians and Entertainers Association will be happy to hear that.

I just wanted to ask if the Minister has met with the members of the Cayman Musicians and Entertainers Association. I know they sent me a letter, and I think they sent him a letter as well. I just wonder if he has met with them as of yet.

**The Speaker:** Honourable Minister for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, I have not met with them in a group. I have had representation from the president and some of its members. I requested of the president to send me a listing of all the local songs, in order that I could have my ducks all in a row when I go to the broadcasters. They provided that information for me, which I have reviewed. Just this morning, at eight o'clock, I met with Mr. Archbold, the managing director of Information Communication and Technology Authority (ICTA), to arrange for the meeting to be held as soon as I get back from this trip that I leave for tomorrow.

I think the entertainers would like me to have them in the meeting with the broadcasters, but I am going to shy away from that one. I believe that they are right to ask the broadcasters in this country to fulfill a moral obligation that they have to promote Cayman. They have had their difficulties; therefore, I do not want to have them all in one meeting. I will meet with the broadcasters and discuss it with them. Then, if necessary, I will have a meeting with the local entertainers.

**The Speaker:** Are there any further supplementaries? If there are no supplementaries we will move on to the next question standing in the name of the Third Elected Member for West Bay.

#### Question No. 48

**No. 48: Mr. Cline A. Glidden Jr.** asked the Honourable Minister responsible for Communications, Works and Infrastructure to give an update on the stated policy of the National Roads Authority to purchase its own paving machine, what is the cost, who was it purchased from, is there a maintenance contract and, if so, with whom.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, the National Roads Authority's road building capabilities are intended to be enhanced by the ability to install hot mix asphalt on government road projects. This policy enables the National Roads Authority to carry out its own hot mix asphalt paving operations.

Under the new policy the National Roads Authority will still be purchasing hot mix asphalt from Island Paving Ltd as that company remains the sole producer of hot mixed asphalt in Cayman.

The paving machine and other associated heavy equipment are currently on order. The paving machine is an Ingersoll-Rand Blaw Knox PF-161 (new) costing CI\$298,000.

Other associated machinery needed to complete the paving crew includes:

- One (1) Ingersoll-Rand DD28HF compactor (small roller) CI \$41,000
- One (1) Ingersoll-Rand DD90HF compactor (large roller) CI \$107,000
- Three (3) Sterling Dump Trucks CI \$298,000 (for all three)

The paver and roller are all new equipment being acquired through Island Paving Ltd which is the authorised dealer for Ingersoll-Rand equipment in Cayman.

The dump trucks are being acquired through the Government's Department of Vehicle and Equipment Services (DVES).

After the warranty has expired on the Ingersoll-Rand equipment, the National Roads Authority will negotiate a maintenance contract with a suitable local contractor.

Maintenance for the new dump trucks will be carried out under the standard service level agreement between the National Roads Authority and the Department of Vehicle and Equipment Services.

### Supplementaries

**The Speaker:** Are there any supplementaries?

Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Madam Speaker, my first question would be, seeing the huge amounts involved with the purchasing, could the Minister say how the decision was made as to who they purchased through, whether it went out for a tendering process. How was it decided as to whom we should purchasing the equipment from?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

There are a number of paving equipment suppliers in the country who have franchises for the distribution and sale of the equipment. There is Caterpillar, Barber Green, and this one in particular, Island Paving, has the contract for Ingersoll-Rand. All of those people responded to the tenders and these were the cheapest, keeping in mind, Madam Speaker, that all of this equipment, whichever one is suitable for the laying of asphalt—and the others were much higher, Caterpillar is much higher—fit the purpose of doing this kind of work.

Many people think that Barber Green is the actual asphalt. Barber Green is the first company that actually made the equipment for laying asphalt. Like I said, the other companies, Ingersoll-Rand, Caterpillar and some out of Europe as well, especially Germany, make this same equipment. Locally, I think we have three and those three responded to the tenders.

**The Speaker:** Are there any further supplementaries?  
Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Thank you, Madam Speaker.

It was said earlier on that this policy enables the National Roads Authority to carry out its own hot mix asphalt paving operation. Looking further down in the answer it mentions that after the warranty is expired on the Ingersoll-Rand equipment the National Roads Authority will negotiate a maintenance contract with a suitable local contractor, either during the warranty period or after the completion of that warranty period when I think it would be safe to say that a maintenance contract would probably be with the same recognised dealer. Can the Minister confirm, then, that we will still be in a position where we are dependant on only the existing paving company to maintain the paving equipment for the Government? In other words, will the NRA depend on the existing paving company to repair and maintain the equipment?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Not necessarily, Madam Speaker, because the dealership has to provide the maintenance contract. The warranty contract, I believe if I am not mistaken, is two or three years, whatever the case may be. Thereafter, this type of equipment can be serviced by other local shops and that will also be put out to tender.

Now, Madam Speaker, the other option is that we can hire someone to be on staff to do maintenance of the NRA equipment which is a high possibility. The managing director of the NRA has been looking at that, but the first thoughts were to look at local contractors. It might just be easier to have mechanics on staff to do it, or we have DVES as well, Madam

Speaker. So I do not think we can say that we would be obligated to the dealership.

**The Speaker:** Are there any further supplementaries?  
Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Thank you, Madam Speaker, and I thank the Minister because, obviously, he sees where my concern would be. The reason I asked that question is because in the last paragraph of his answer he specifically says that maintenance for the new dump trucks will be carried out under the standard service level agreement, which is what he alluded to as a possibility. However, for the Ingersoll-Rand equipment he specifically said that they would negotiate a maintenance contract with a suitable local contractor. Because of that differentiation I ask my question.

I guess my question would be that the Minister recognises that there could be a conflict or a problem if we ended up having to be dependant on the same provider of asphalt now to be maintaining our equipment.

**The Speaker:** Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker, and I take the Third Elected Member for West Bay's suggestion seriously because he knows, and I believe everyone knows, if it is not cost effective for Government, I am not going to put my name on the bottom line, thus the reason why this equipment is being bought by Government.

**The Speaker:** I will allow one more supplementary.

If there are no further supplementaries we will move on to the next question, which is Question No. 62, standing in the name of the Third Elected Member for West Bay.

### Question No. 62 (Deferred)

**No. 62: Mr. Cline A. Glidden Jr.** asked the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs and the Civil Service what is the total number of civil servants in the Cayman Islands, broken down by Caymanians and Non-Caymanians.

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, in accordance with the provisions of Standing Order 23(5) I seek leave of this Honourable House to defer this question, Question No. 62, until the next sitting.

**The Speaker:** The question is that Question No. 62 be deferred to a further sitting. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Question No. 62 deferred to a further sitting.**

**The Speaker:** Question number 66 is standing in the name of the Third Elected Member for West Bay.

### Question No. 66

**No. 66: Mr. Cline A. Glidden Jr.** asked the Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing to give an update on the status of the crushing of cars that were damaged from Hurricane Ivan that was carried out by the Government, including:-

- (a) cost to date;
- (b) number of cars crushed;
- (c) number of cars or tonnage shipped off the Island; and
- (d) amount of revenue generated.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, it seems like the question is presuming that the Government was dealing with the shipping of the crushed vehicles originally.

Madam Speaker, immediately after Hurricane Ivan, the collection of derelict vehicles was dealt with by MC Restoration. The total paid to MC Restoration totalled US \$394,656 for the collection of 4,111 vehicles.

After the expiration of MC Restoration's contract, local contractors have since been handling the collection of the cars. One thousand seven hundred and seven (1,707) cars have been collected and CI \$77,560 paid.

In terms of shipments off the Island, the first shipment by MC Restoration, in September 2005 was approximately 1,100 tons, followed by a second shipment of 3,000 cars sent on February 26, 2006. The actual tonnage for this second shipment will be weighed when it arrives at its destination.

Government has not shipped any vehicles off-island. Rather, MC Restoration—by way of the original contract—shipped the vehicles and thereby was the beneficiary of these shipments. A part of the original contract allowed for MC Restoration, once they were paid for collecting the vehicles, also to crush the vehicles and whatever monies were gained from the sale

of the metal belonged to MC Restoration. The Government has not generated any revenue from either of these shipments because we have not crushed any vehicles yet. That is something that will be dealt with in the future.

### Supplementaries

**The Speaker:** Are there any supplementaries?

Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Thank you, Madam Speaker.

As the Leader of Government Business correctly said, there was an assumption made that cars had been dealt with by the Government, and the reason for that assumption was that during the Budget debate it was stressed... maybe it was during Finance Committee when it was decided the Government had taken a policy to not continue with the contract for MC Restoration, that it was more cost effective for them to do it themselves. That is where the assumption was made that it was going to be handled from the future with Government.

*[The Hon. Leader of Government Business rose]*

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker.

As I suspected . . . and just to clarify the situation for the Honourable Member asking the question: after MC Restoration's contract was completed the Government decided not to renew that contract, part and parcel being collection of derelict vehicles. The fact of the matter is that there are thousands of derelict vehicles presently at, what we call, the Garbage Dump—not just Hurricane Ivan related, but including vehicles that were destroyed during Hurricane Ivan. The volume of those vehicles goes into thousands, and it is an ongoing situation whereby it is estimated that there are some 500 to 600 vehicles on an annual basis which become derelict.

The Government thought that rather than simply pay money out to get these vehicles collected and shipped, it would be in Government's best interest and much more cost effective to purchase their own equipment (which is what is happening as we speak), to have on site and have it operated by [persons from] the Department of Environmental Health. They would not only crush the vehicles collected since the contract; they would also be able on an ongoing basis to extract the vehicles that are there at the Dump and do likewise. Regular shipments of the metal could then be made and the Government would derive whatever monies are acquired from the sale of the metal at that point in time.

Suffice it to say, Madam Speaker, what it means is that the Government will not then have extended periods where large numbers of derelict vehicles are simply collected and left on-site with nothing being done about them.

**The Speaker:** Are there any further supplementaries? If there are no further supplementaries we will move on to the next question.

Question 67 is standing in the name of the Fourth Elected Member for George Town.

### Question No. 67

**No. 67: Mr. W. Alfonso Wright** asked the Honourable Minister responsible for the Ministry of Tourism, Environment, Investment and Commerce if anyone holding public office owes a substantial amount of money to our National Flag Carrier, Cayman Airways Ltd and, if so, can he provide the details on this matter including whether there are any plans to collect the money.

**The Speaker:** Honourable Minister responsible for the Ministry of Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Madam Speaker, shortly after taking office in May 2005 as Minister with responsibility for Cayman Airways and during the standard briefing session when there is a change in Government, I was informed by Cayman Airways that there was an Elected Member of this Legislative Assembly who owed a substantial amount of money to Cayman Airways and they were having difficulties collecting on the debt. I asked for the details of this debt and a statement summary dated 20th June 2005, showed that the Leader of the Opposition owed Cayman Airways a total of US\$75,821.73. This total reflected numerous invoices for private travel dating back to May 2002, after he had become the Minister with responsibility for Cayman Airways.

When I received this update in June 2005, I instructed Cayman Airways management to make every effort to collect this debt, just as the company would with any other debt.

Since the June 2005 report, which showed a debt of US\$75,821.73, there were additional charges on the account totalling US\$22,950.66.

Madam Speaker, following the tabling of this Parliamentary Question the account was reviewed again and it revealed that the Leader of the Opposition has made numerous payment installments, including the most recent payment which was made on Thursday, 23<sup>rd</sup> February 2006, when an amount of CI\$12,891.42 was paid on the account. Besides that last installment, which occurred just over a week ago, payments were made in June, August and November 2005.

As a result of these payments, it appears that the total debts of US\$75,821.73 and US\$22,950.66



have been paid as of Thursday, 23<sup>rd</sup> February 2006. Cayman Airways is still crosschecking numerous individual invoices to confirm the status of the Leader of the Opposition's account balance and to determine what, if anything, remains owing.

Other than this ongoing query, Cayman Airways has confirmed that as of 24<sup>th</sup> February 2006, it has no record of any other public official owing money to the national flag carrier.

### Supplementaries

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

**Hon. W. McKeeva Bush:** First of all, Madam Speaker, Cayman Airways being a Government company . . . and, Madam Speaker, I checked the Standing Orders also to see which direction the question was going. I saw in the Standing Order that "Public Officer" means any person employed in the civil service but does not include any Member of the Governor in Cabinet or Legislative Assembly.

Nevertheless, I see that the question has made it and I had no doubt that the Government would do this and that it would get the airing it has, in spite of what the Standing Orders say.

Madam Speaker, I will—if you will allow—make a personal statement in regards to this matter. I can say that my accounts—

**The Speaker:** Honourable Leader of the Opposition, could you please put this into the form of a question? I see nothing in the Standing Orders that allows a personal explanation on the reply to a question.

**Hon. W. McKeeva Bush:** Madam Speaker, you have allowed this question despite what the Standing Order says—

**The Speaker:** Honourable Leader of the Opposition, if you will allow me—

**Hon. W. McKeeva Bush:** Yes. I will take my seat—if you will allow me to make a personal explanation later on.

**The Speaker:** Honourable Leader of the Opposition, when one fills the position of public office, in any country, whatever we do or say is not a secret.

Standing Order 22 (f) (ii) says, "**seeking of information about matters which are in their nature secret**". Numerous precedents have been set in this honourable House, there were questions on businesses owing monies to Customs, and I do not remember if it was a question on Prestige Printers with the contract of the Honourable Leader of the Opposition at that time. Therefore, I allowed this question under the Standing Order which says that you can ask

a question except where it refers to a person's public office.

Standing Order 22 (f) (v) says, "**as to the character or conduct of any person except in his official or public capacity**".

Honourable Leader of the Opposition, please ask your supplementary question.

**Hon. W. McKeeva Bush:** Madam Speaker, am I going to be allowed to make a personal explanation because of what has been said in the question?

**The Speaker:** As I pointed out, I see nothing in the Standing Orders on making personal explanations on questions because you have the opportunity to do this through supplementary questions.

**Hon. W. McKeeva Bush:** Madam Speaker, what does the Standing Order say about personal explanations?

**The Speaker:** It says, at the discretion of the Presiding Officer. I am saying that you have every opportunity through supplementary questions to deal with this matter.

**Hon. W. McKeeva Bush:** And I am telling you, Madam Speaker, that I do not have the passages with me to ask that question because I need to explain—

**The Speaker:** Honourable Member, you did not say in the beginning that you did not have the material here. I cannot read your mind, Honourable Leader of the Opposition. If you will come in my office when we suspend we will discuss the personal explanation.

**Hon. W. McKeeva Bush:** Madam Speaker, if I may.

**The Speaker:** Yes.

**Hon. W. McKeeva Bush:** I just want to say that my bills are paid—I just want to explain how this happened—and, in fact, there is a credit balance.

**The Speaker:** It reflects in the answer that your account is up-to-date. So we will move on to the next item and you may come in my office and we can talk about the personal explanation.

*[Inaudible comment by Honourable Leader of the Opposition]*

**The Speaker:** Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker.

On a supplementary, can the Minister state whether this is a result of normal accounting practice by Cayman Airways, where individuals are allowed to go way beyond what is considered the normal 90-day

period where accounts are normally shut down for outstanding payment and individuals are allowed to continue charging?

**The Speaker:** Honourable Fourth Elected Member for the district of George Town, that is outside the original question that is on the Order Paper. Would you care to reword it, or is the Honourable Minister in a position to answer that question.

Honourable Minister of Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

This is certainly not the normal practice for the national flag carrier to allow accounts to go beyond the normal 90-day period. I think that answers the question from the Fourth Elected Member for George Town. I cannot go beyond that at this point, Madam Speaker.

**The Speaker:** We will move on to the next question.

Question No. 68 stands in the name of the Second Elected Member for West Bay.

#### Question No. 68

**No. 68: Mr. Rolston M. Anglin** asked the Honourable Minister responsible for the Ministry of Tourism, Environment, Investment and Commerce how many ships can the Spotts Dock accommodate.

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, the Spotts Dock can efficiently accommodate a maximum of three ships at a time. The Port Authority formally adopted the policy of a maximum of three ships at the Spotts Dock at the Board of Directors meeting held on 18 January 2006.

Although the Spotts facility has been in use for many years as an alternate port, prior to January 2006 there had been no formal policy governing the maximum number of ships.

Thank you, Madam Speaker.

**The Speaker:** Are there any supplementaries?

If not, we move on to question number 69 standing in the name of the Second Elected Member for West Bay.

#### Question No. 69

**No. 69: Mr. Rolston M. Anglin** asked the Honourable Minister responsible for Tourism, Environment, Investment and Commerce who decides which ships are granted landing space at Spotts Dock.

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

The Port Authority determines which ships are granted space at the Spotts Dock on a 'first come first served basis'. The 'first come first served' methodology has been discussed with the Florida Caribbean Cruise Association and the Association has undertaken to consult its member lines on whether another system may be preferred. However, in the interim it was agreed that the 'first come first served' basis was the most fair and transparent system.

#### Supplementaries

**The Speaker:** Are there any supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Can the Honourable Minister say whether or not the Port Authority, in consultation with the local service providers of tourism products, that is, tour operators and the like, believes that this system is the most rational from an economic standpoint?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Madam Speaker, not necessarily so but, as I said, we have consulted the Florida Caribbean Cruise Association and we all agree that in the interim this is the best method to use. We are expecting recommendations to come from the Association shortly, and clearly, the Port Authority and the board of directors at the Authority will consider those recommendations and will also consult the primary users of that facility to see whether a better system is preferred.

**The Speaker:** Are there any further supplementaries?

If not, we move on to question number 70, standing in the name of the Third Elected Member for Bodden Town.

#### Question No. 70

**No. 70: Mr. Osbourne V. Bodden** asked the Honourable Minister responsible for Tourism, Environment, Investment and Commerce to say if there are any plans to liberalise the supply of aviation fuel at Owen Roberts International Airport and allow competition in the market.

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, in late 2005, Government made the policy decision to liberalise the supply of fuel at Owen Roberts International Airport (ORIA) to allow competition. This policy was subsequently communicated to the Cayman Islands Airports Authority.

On 14 February 2006, the Cayman Islands Airports Authority granted ESSO permission to supply aviation fuel at ORIA. This approval facilitates competition as there will now be two companies permitted to operate at ORIA. These two fuel companies are Chevron (formerly Texaco) and now ESSO.

### Supplementaries

**The Speaker:** Are there any supplementaries? Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker.

Could the Minister say if any attempts had been made previously to allow competition at Owen Roberts?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Yes, Madam Speaker, there have been several applications over the last several years from ESSO to operate at the Owen Roberts International Airport. The last representation, as I understand it, from the Airport Authority and from a copy of a presentation from ESSO, took place in 2004. No action was taken on that application, Madam Speaker.

**The Speaker:** Are there any further supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

In the answer the Minister refers to Owen Roberts International, because that is what the question asked. I wonder if a similar policy is going to be adopted at other airports in the Cayman Islands.

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, to the best of my knowledge there have been no applications with respect to the other airports in the Cayman Islands, but, certainly, if we receive applications, the policy to liberalise the supply of fuel would certainly also apply to the other islands. At this point in time, I do not have any personal knowledge of any application on Cayman Brac and certainly not in Little Cayman.

Thank you, Madam Speaker.

**The Speaker:** Are there any further supplementaries? Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker.

Can the Minister say whether ESSO will have storage facilities such as Texaco now has at the airport, or whether they are supplying via trucks?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

ESSO is currently considering a number of options for delivering fuel to the Owen Roberts International Airport including the construction of a fuel farm, but they have not yet reached a decision. Their goal is to be in a position to supply fuel at Owen Roberts at the end of this year, December 2006.

Thank you, Madam Speaker.

**The Speaker:** Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, could the Honourable Minister share with the House how it is envisioned that this competition will work in practice, that is, on a daily, weekly or monthly basis will Cayman Airways require pricing per gallon based on varying grades?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Madam Speaker, the various airline services in the Cayman Islands will have to negotiate with the two companies clearly for the best prices. I do not think it would be wise to go into the details of how that might be approached either by the national flag carrier or any other company. I certainly would not have any knowledge of how other airlines would approach it, but I believe that it is clear, just from the announcement that competition is entering the market that it is certainly going to be in the interest of the consumers at the end of the day. I think we are beginning to see that already, Madam Speaker.

**The Speaker:** Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker. While I do not have any doubts as to what the Minister has said, I still believe that it is important for Members of the House to understand, with a significant change like this, just how the system is going to work. Now, whether the Minister feels as though that is something he might rather provide off microphone or in writing, I

have no problem with that. However, I do want to understand what time frame Cayman Airways is going to be locking into with either of the respective oil companies.

**The Speaker:** Honourable Minister for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker. I would certainly be happy to have that discussion with Members of the House privately, but it goes beyond Cayman Airways simply contracting with one company or the other. There are also international agencies, Hedge Fuel for example, that Cayman Airways has certainly been able to take advantage of. However, those are details that I do not think it would be wise to talk about publicly. I will certainly be happy to have a discussion with the Members about that privately.

Thank you, Madam Speaker.

## STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

**The Speaker:** I have had no notice of statements by Honourable Ministers or Members of Cabinet.

### Suspension of Standing Order 46(1) and (2)

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, I beg to move the suspension of Standing Order 46(1) and (2) to allow for the first reading of the [Immigration \(Amendment\) Bill, 2005](#).<sup>1</sup>

**The Speaker:** The question is that Standing Order 46(1) and (2) be suspended. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Standing Order 46(1) and (2) suspended.**

## GOVERNMENT BUSINESS

### BILLS

#### FIRST READING

#### The Immigration (Amendment) (No. 2) Bill, 2005

**The Clerk:** The Immigration (Amendment) (No. 2) Bill, 2005.

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

#### Suspension of Standing Order 46(4)

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, I beg to move the suspension of Standing Order 46(4) to allow for the second reading of The Immigration (Amendment) Bill, 2006.

**The Speaker:** The question is that Standing Order 46(4) be suspended. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Standing Order 46(4) suspended.**

## SECOND READING

### The Immigration (Amendment) (No. 2) Bill, 2005

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, I rise to move the second reading of a Bill for a law to amend the Immigration Law, 2003.

Madam Speaker, as part of the ongoing review by Cabinet of the recommendations made by the Immigration Review Team (IRT), several issues have been identified as requiring urgent redress through an immediate amendment to the Immigration Law, 2003, in advance of the comprehensive amendments that will be put before the Legislative Assembly in May of this year.

The issues requiring redress relate to the composition of the Work Permit Board, the Business Staffing Plan Board, the Cayman Status and Permanent Residency Board; appeals in relation to term limits; and the temporary creation of a new category of work permit for companies and businesses who are detrimentally affected in the short term by the effect of the term limit provisions.

Madam Speaker, the present membership composition of the Work Permit Board, the Business Staffing Plan Board and the Caymanian Status and Permanent Residency Board is considered to be too small. For example, although the Work Permit Board appears large in number, only eight members vote (including the Chairman who has a casting vote). This can make it difficult to achieve a quorum. It is therefore proposed, Madam Speaker, to expand the membership of each Board by up to three additional voting

Please see comments by Hon. Samuel W. Bulgin on pages 645 and 651

members who are legally and ordinarily resident in the Cayman Islands and who would be appointed by the Governor-in-Cabinet. This would also allow for committee functions without unduly compromising the time of individual members as well as facilitating more than one full Board meeting per week.

A second issue, Madam Speaker, in relation to the three Boards concerns the appointment of committees of members of each Board. At present, the power to appoint committee members lies with the Governor-in-Cabinet. This is considered cumbersome and hampers the efficient operation of the Boards. It is therefore proposed that the Law be amended to grant the Chairman of any of the three Boards the power to appoint committees comprising of no fewer than three members of his Board and to delegate to such committees any of the functions of the Board. The Chairman or his Deputy will be required to be a member of any such committee and the appointment of a committee must be notified as soon as practicable thereafter to the Governor-in-Cabinet.

### **Appeals in relation to term limits**

Madam Speaker, the second main issue that has been identified as requiring immediate attention relates to appeals with respect to term limit provisions. There is a serious concern that a substantial number of appeals are being filed, or are likely to be filed, in respect of determinations by the Work Permit Board and the Business Staffing Plan Board, bearing in mind that there is no power in law either to grant or renew a work permit as a consequence of term limits having been reached or exceeded under either section 50(1) or 50(2) of the Immigration Law, 2003.

Madam Speaker, section 54(2) of the Law provides for certain limited circumstances in which a person may continue working without committing an offence where an application has been refused by one of the Boards and has been appealed to the Immigration Appeals Tribunal or the application has not yet been determined by either Board. The concern, Madam Speaker, is that many appeals will be frivolous appeals designed to 'buy time' and/or relief from the impact of the roll-over provisions. One unintended consequence of these frivolous appeals will be that such persons will continue to accrue legal and ordinary residence in the jurisdiction and thus qualify to apply for Permanent Residence in circumstances where they would, as a matter of law, not have had that right.

In addition, the protection afforded by section 54(2) from not committing an offence only applies to where there has been a refusal of an application by the Board, or the Board has not yet determined the application. Given that the Boards are not refusing applications where term limits have been reached, or have been exceeded but are determining the application on the basis that they have no power to consider it, it would therefore appear, Madam Speaker, that

persons who appeal and continue to work are, in fact, committing an offence.

I suggest, therefore, Madam Speaker, that it would be wholly unacceptable if that is correct that such persons would be permitted to apply for Permanent Residence taking into account the period of time they were on the Island pursuing the appeal if, while during that period of time, they were illegally employed. It is proposed therefore that this issue and the potential impact on the jurisdiction of the numbers of persons who will seek to use this avenue to circumvent the operation of the term limit provisions and/or to qualify for Permanent Residence be resolved by disallowing a person to take into account any period of time that they spend in the Islands while awaiting the outcome of an appeal.

### **Introduction of a Fixed-Term Work Permit**

A related issue, Madam Speaker, concerns the significant number of work permit grant or renewal applications that are presently in the immigration system and which will be rejected shortly on the grounds that the Work Permit Board or the Business Staffing Plan Board does not have the power to deal with them due to the expiry of the person's term limits. This could mean that an employer may lose sizeable numbers of employees, including some who are considered essential to the operation of the business, with very short notice.

In view of the potentially serious effect that this could have on the operation of a company or business it is proposed that a temporary measure be introduced whereby the employer of an employee so affected would be able to apply to the Chief Immigration Officer for the grant of a new category of work permit called a 'Fixed-Term Work Permit'. Under a Fixed-Term Work Permit the employee could continue in their employment for a period not exceeding nine months. This facility is solely to give the employer time to recruit a suitable replacement employee and the period of validity of the Fixed-Term Work Permit will not count in the employee's favour with regard to qualifying for any right to apply for permanent residence.

In making an application for a Fixed-Term Work Permit an employer will be required to demonstrate that the employee in question is essential to the operation of his or her business. The power to grant or refuse an application for a Fixed-Term Work Permit will vest with the Chief Immigration Officer acting in person, as will the discretion as to the period of validity of the Fixed-Term Work Permit. The Fixed-Term Work Permit is non-renewable or non-extendable and the fee for such a work permit will be equivalent to the fee payable for a one-year work permit in the employee's employment category. There will also be an application fee of CI\$100. Both fees must be paid at the time of application.

It is proposed, Madam Speaker, that the Fixed-Term Work Permit facility will only continue until 31<sup>st</sup> December 2006. This date would allow for such permits to remain in force until 30<sup>th</sup> September 2007, or eighteen months approximately from now. It is the Government's view, Madam Speaker, that this is ample time for an employer to recruit a suitable replacement and stabilise their business.

Madam Speaker, what I have just shared with this Honourable House would constitute the extent of the amendments to the Immigration Law and I commend this Bill to honourable Members.

**The Speaker:** Proceedings will be suspended until 2.30.

### Proceedings suspended at 12.47 pm

### Proceedings resumed at 2.29 pm

**The Speaker:** Proceedings are resumed.

Debate on the Immigration (Amendment) Bill, 2005 continuing. Does any other Member wish to speak?

The Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker.

Madam Speaker, I rise to offer my contribution to the Bill that is before this Honourable House today, entitled "A Bill for a Law to Amend the Immigration Law, 2003". The Honourable First Official Member, who introduced this important Bill, went to some length to explain its provisions, the reason why it is being brought at this time, and why the relevant Standing Orders were suspended to enable the Bill to be dealt with in short order.

The Bill is being brought at this time because the Government acknowledges that there are significant difficulties and hardships encountered by employers in the operation of their businesses as a result of the term-limit provisions in the Immigration Law, 2003. Those hardships arise because many employers, and, indeed, the employees themselves, were apparently unaware of the impact of the term-limit provisions in the Immigration Law, 2003. In many instances, even if they were aware in general terms of what the impact of those provisions would be, because of the way the law is currently drafted, or, indeed, in some instances because they simply did not understand in detail what those provisions meant to their personal circumstances, many were not certain when their permission to remain in the Cayman Islands would expire once the seven years reached, and when it would become impossible for the Work Permit Board or the Business Staffing Plan Board to give them another work permit or renew their current work permits.

Now, there are perhaps mitigating circumstances because of Hurricane Ivan in 2004, but I believe the main difficulty being encountered is because there was not a sufficient educational exercise carried out when the Bill became law so that all affected in this country by those provisions would understand clearly what the provisions meant and how they would impact their businesses and the personal lives of employees. That is an important lesson which, certainly, this Government has learned and is, I think, clearly evident thus far in matters such as this.

Freedom of Information is perhaps the example that comes foremost to mind. It is critically important that we take the time and make the effort to educate all in this country about matters which are going to impact them significantly. If, Madam Speaker, the previous government had been as swift to start an educational exercise in relation to the Law as they were to grant status to thousands, then perhaps the situation would not be as grave as it currently is.

However, I am one who always says that there is really no future in the past; it is just important that we learn lessons from the past. So the Government is presented with a situation where literally thousands of people have come up against their seven year term limit, where many employers are finding themselves in a situation where they are losing three, four, sometimes more employees all in one fell swoop. That, without a doubt, is adversely impacting the operation of their businesses.

The Government has had entreaties from the Cayman Islands Tourism Association. We have had entreaties from the Cayman Contractors Association, all of which have been public. We have all listened to the concerns expressed from people across the various industries in the Cayman Islands, from the financial services sector on down. These measures being brought to the House at this time, hopefully for early passage, are the Government's immediate response to alleviate that hardship and to give the Government the opportunity to complete its deliberations with the Immigration Review Team in relation to more comprehensive amendments to the Immigration Law, 2003.

While this amendment Bill amends a number of sections of the Immigration Law, the one which is the topic of most discussion and of greatest concern is in relation to the term-limit provisions themselves. Much has been said, and continues to be said, about the efficacy, or otherwise, of having term-limit provisions in the Law at all. There have been, I believe, a number of very useful discussions about the matter in the local media and elsewhere, but there are some which, quite frankly, are misleading and unfair. Some of the analysis, particularly what I have seen in some of the editorial columns of the *Cayman Net News*, border on hysterical.

The *Cayman Net News* makes the case almost every week, almost every day sometimes, about the need to abandon the term-limit provisions in the Law. In one editorial from 27<sup>th</sup> February 2006 they

accused the Cayman Islands of being xenophobic, and suggested that is the only basis upon which provisions such as those contained in the Law, that is, the term limit provisions, could possibly have been implemented in the first place. They conclude by saying, **“The xenophobic message that this law sends is one we should be ashamed of, and it is time now, today this very minute to get rid of it...”** They have actually suggested in the editorial that xenophobic sentiments are those of the majority of our electorate and that is why **“the law continues to remain on statute books when just about every professional in the country thinks that it is wrong”**, and if expatriates could vote, the suggestion is it would be different.

Now, that is a very remarkable proposition because it states that, in fact, the Government should ignore the views of the electorate and prefer instead the views of those who cannot vote, presumably, because those who cannot vote are more sensible than those who can. That is what I infer from what has been said.

Madam Speaker, I am not going to spend the precious time I have on the floor of this Honourable House to condemn *Cayman Net News* or any other media house for saying what they say. However, faced with this adverse campaign—one which is clearly committed to convincing all in the country that there is something fundamentally wrong with the term-limit provisions of the Law—I do believe that the Government has a duty to explain the basis for the term-limit policy and why it supports it.

It was a policy which was put in place under the previous government, but it is a policy that is based on an immigration report by an Immigration Review Team that was made up of members from the Opposition even though—I should say a member of the Opposition—I was the only member of the Opposition on it. Nonetheless, it was the report of the committee.

Perhaps before I go into that detail I need to say that we have always proceeded in this country in terms of immigration on the basis that there had to be some control over the number of people who were allowed to stay here indefinitely and, ultimately, obtain Caymanian status. In the ‘battle days’, as some will term them, that was done by a mechanism called a moratorium, and the moratorium for a long time was fixed at 12 per annum. The concept of restricting the number of people who would ultimately become part of the permanent population base has been around since we had proper immigration legislation when the Caymanian Protection Law came into effect in 1971. That was the case even though the number of persons then (in 1971) on a work permit was very small.

When the legislation was originally passed the number of persons on work permits was less than one hundred; the number now exceeds 22,000! As you will appreciate, Madam Speaker, that growth in numbers made the application of the quota regime impossible,

but the concerns about the number of people who would be allowed to remain here indefinitely continued to increase so much so that the government of the day, back in the early 90’s, suspended the quota. I think most of us understand that that situation was challenged in court and the court ruled, I believe in 2002, that the imposition of the moratorium was unlawful.

In the interim, between the time the moratorium was put in place and that finding, well over a thousand persons qualified for status and their applications simply gathered dust at Immigration because the board had no ability to grant status. Faced with this growing crisis, in 2003 Cabinet fixed quotas of approximately 600 for the board and then, as we know, ultimately went on to hand over 3,000 grants in addition thereto.

I should say that although many in that 3,000 would not have qualified for a grant from the board under the Law, there were hundreds who did. The point I am making here is that if we allow people to come to our country and remain for indefinite periods, ultimately, we are going to have to grant them some form of security of tenure and/or the closest thing to citizenship that we can confer, which is, under the current law called the right to be Caymanian. That is the reality that we face.

Madam Speaker, if we look at the way that this situation has evolved in relation to numbers of work permits, we do not have to speculate, we do not have to extrapolate, we do not have to do any of these fancy things to understand the implications. At the end of 1983 there were a total of 2,367 work permits in force, and by 31<sup>st</sup> December 1990 that number was 7,277, together with some 1,877 dependants. By 31<sup>st</sup> December 2001 there were 13,826 work permits in force, and as at 25<sup>th</sup> June 2002 the total number of dependants was 2,772. Currently, five years hence (not even five years), there are approximately 22,000 on work permits.

The most recent census, the 1999 Census, placed our total population at approximately 41,000. I think most people in the country now believe the number is closer to 50,000, but the truth is we do not really know. Of the 41,000, only 53 per cent were categorised as Caymanian through parentage or status. The 53 per cent figure had declined from 67 per cent in 1989, and, more importantly, by the time of the 1999 Census, Caymanians made up a mere 42 per cent of the workforce in these Islands.

I should add for completeness, that it must be noted that between 1989 and 1999 the number of Caymanians grew from 16,868 to 20,491, a modest increase of 1.9 per cent per annum; whereas over the same period the non-Caymanian population more than doubled from 8,387 to 18,529, a growth rate of 8.2 per cent per annum.

We know, Madam Speaker, from what I said a little earlier that, since the 31<sup>st</sup> December 2001, the number of work permits has grown from 13,826 to

22,000 presently. We can do the arithmetic and make our own conclusions about the growth of the non-Caymanian population over that period.

The choice for these Islands when this Law came into effect on 1<sup>st</sup> January 2004, and the choice for these Islands now is even more stark. We have to decide whether we are prepared to let the growth of the non-Caymanian element or sector of the population continue to outstrip the growth of the Caymanian population, because we cannot have it both ways. This Government acknowledges that, for any number of reasons. We cannot allow people to stay here, build their lives, grow their families, have children, put down roots here and then tell them at year 10, year 11, year 12, year 13 *'We are very sorry, we misled you all along, you have to leave now'*. We cannot do that, Madam Speaker. It is not right, it is not moral and, quite frankly, we believe it will not be permitted for a number of reasons, not the least of which are human rights considerations and considerations in relation to obligations which Her Majesty's Government has under various conventions and treaties internationally.

There are a number of these conventions and treaties—European Convention and Nationality, European Charter and Human Rights, the Treaty of Rome, and the British Nationality Act, itself (which is an English Act). I will not go into the details. Some have been extended to the Cayman Islands and others have not. Whether they have been extended or not, I do not think really makes a great deal of difference in the long run. There are international standards in relation to how you treat people who have resided in your jurisdiction for substantial periods of time and, essentially, what they all say without going into detail or careful analysis of the provisions of the conventions, is that you will not be permitted to allow people to remain indefinitely and not offer them security of tenure and, in some instances, even the right to vote.

Those are the realities we face. While I do not expect that everyone who comes here from another jurisdiction will have the prospective of 'indigenous Caymanian' (if I may use that term), the reality is that this Government is not prepared to throw its hands up and say *whoever comes here may stay indefinitely, we really are not concerned about who is in control of the country ultimately*.

In fairness, Madam Speaker, the last government took that position as well.

As I said very recently at a press briefing, with 22,000 people on work permits, if only half of them have one dependant, that is 33,000 people. If we say start now, which is not the case, in ten years' time there will be 33,000 who will be able to make the case that some form of security of tenure ought to be extended to them. The way that the present legislation is crafted, in a few short years after that they would have the right to be Caymanian and in very short order be entitled to all the privileges of a Caymanian—including the right to vote.

That is not, as I said earlier, speculation or extrapolation. We know what the numbers are. There are at present, I believe, some 13,000 on the electoral roll. Think about the impact of those numbers on the electoral roll and ask yourself, in 15 years or less—because the actual date that we are talking about when the implications of this go back is not today, it is some years previously. Ask yourself, in 15 years who is going to be in control of this country.

I can say this, Madam Speaker, and I believe my colleagues on both sides of the House will share this sentiment: I am not prepared to look the children of this country in the eye and say, *'I was part of an establishment which gave away your right to be in control of your country, to have opportunities in your country, just because there was pressure being brought to bear from certain quarters including certain media houses'*. No, Madam Speaker!

Madam Speaker, I say all of that, but I need to acknowledge that the Government fully understands the importance of getting this balance right. It is not an easy issue, it is not easy for the Cayman Islands and it is not easy for anywhere else because we do have to bear in mind the economic impact of these sorts of decisions; but we cannot and we will not ignore the social implications of simply abandoning the policy and adopting an open-door approach to this matter, which is certainly what the editorials in *Cayman Net News* suggest.

The Bill before the House, a provision which will allow for fixed-term, non-extendable, non-renewable work permits to be granted to many of those who have been caught in this transition seemingly unaware, will allow the businesses and the employees themselves to obtain—notwithstanding the fact that they have reached their seven-year term limit—a further work permit for nine months, and that privilege will be available up until the end of December this year. That will essentially mean, Madam Speaker, that in some instances—I should say in the extreme instances—there are people here now who are being affected by this who would be here as long as the end of September next year, depending on when their fixed-term permit is granted.

That, Madam Speaker, is the Government's way of dealing with the hardship which is created now, as I said, by those who have been caught unaware in relation to the term limit provisions which are biting now. That, Madam Speaker, ought to permit businesses to plan to either obtain replacements for those persons or apply for exempted status for those individuals. As I said today and previously, the Government cannot and will not abandon the term-limit provisions.

Madam Speaker, in my analysis, those who have opposed the term-limit policy are opposed on the following broad grounds:

1. It will do significant damage to certain sectors of our economy and could lead to critical



shortages of staff in sensitive sectors such as education and private health care.

2. It will do significant damage to individual businesses that will lose critical employees.

3. We will be unable to replace the lost employees in certain sectors of the economy because the policy will discourage the recruitment of high-calibre individuals needed in, for example, the financial industry.

4. Employers will be forced to exchange trusted, long-serving employees with unknown new personnel.

That has been my analysis of what has been said by the exponents of abandoning the term limit provisions.

While many businesses assume that by abandoning the policy they would then have the benefit of long-term employment of staff, I believe that this is something of a fallacy. If all employees are allowed to stay here indefinitely in the thousands, hundreds of them will come to be granted permanent residency and status every year. Many of them having achieved that status will leave and establish their own businesses in competition with their past employers, as experience has shown. So the point is that allowing all people to stay here indefinitely is no guarantee that they are going to continue to work for the same employer indefinitely. We need to understand that. This will also provide a springboard for a competing business to be established by someone who formerly worked for you, who will know all your trade information and contacts. In fact, this is precisely what has happened with many persons who have been granted Caymanian status over the years.

We have heard a lot about the potential economic impact of the policy, but nobody speaks about the economic impact of not having such a policy. Of the 22,000 work permits currently in force, almost 10,000 are unskilled individuals. This category of workers typically has the very minimum in healthcare coverage and little by way of assets to retire on. Few will ever own a home here, and when they reach retirement age the cost of providing healthcare and financial support will be a crushing financial burden on the country. That is one of the economic impacts that I wish some of those who pick up a pen almost every day to write in pursuit of the abandonment of the term limits policy would address.

Who is going to pay for the health coverage of everyone who comes here who, when they reach retirement age, will be unable to look after themselves?

When people are allowed permanent residency and ultimately status, eventually we are expected to allow their children in. That is absolutely right and I am not arguing against that. However, what about the additional burden of educating those children in this country where we are already under tremendous stress and pressure to find the funding necessary to provide adequate education to our own? I want them to write about the economic impact of that.

Madam Speaker, as I said a little earlier, the most significant negative impact of not having the policy is that within a very short time the number of persons who will acquire permanent residency and status will be so large that indigenous Caymanians will dwindle to a mere fraction of the population. We will lose both economic and political control of the country as status holders become naturalised and acquire the right to vote. Even those who might think that is a good thing, what I want them to consider is this: that state of affairs is likely to destroy social stability, creating instead a deep-rooted resentment from which we could never recover.

I have said before, Madam Speaker, that probably the greatest strength of this country, even with all the little issues we have, is the degree of social harmony and stability which obtains—which makes it possible for so many businesses to prosper, which makes it an attractive place for people to come and live and work. For those of us who have blinders on, because we have a particular point of view, if we do not believe that is a factor which distinguishes us from other places, just look around. I do not want to get into a name-calling exercise on this, Madam Speaker, but just examine within the region and see the impact that social and political stability have had on the Cayman Islands and the impact the absence of those two factors has had on other places, and then write some stories on that.

Madam Speaker, having concluded that the policy cannot be abandoned, the big question for the Government is how do we guard against destroying sectors of the economy that are critically dependant on being able to import suitably qualified persons to ensure long-term viability, and how do we guard against not destroying individual businesses in the short term. Madam Speaker, in the short term the Bill that is before this House is aimed at addressing that, as I have said before, to allow businesses the opportunity to keep on employees at least for another nine months so that they are better able to structure their businesses to take the necessary steps to replace those who are moving on. It also gives the Government the opportunity to consider carefully the implications of amendments to the Law which are necessary so that we get it right this time around.

Madam Speaker, I have asked three questions. First, in relation to individual businesses we are giving them time to recruit adequate replacement personnel. That is the category where replacements can be found because there is no recognised world shortage. Persons falling in this category would include on a general basis, unskilled employees such as janitors, car wash attendants, et cetera, and included in this are some 3,000 domestics.

Secondly, Madam Speaker, and again, on a business-by-business basis, employers will have to be able to obtain exempted employee status for those employees who are absolutely critical to their operations—but only for such persons. Madam Speaker, my

view is that a big part of the problem with the exempted employee provisions of the Law, aside from the fact that they were not generally understood—and many people were operating on the basis that they could only be granted by the Business Staffing Plan Board, for instance—is that they are so vague and general. In the absence of directives from the Government, or any articulated policy by the Government, any board trying to decide who is an exempted employee would really struggle because there is an absence of policy, there is the absence of directive and direction from the last government, and, indeed, until now from this Government, absence of direction in relation to who ought to be an exempted person. What category of persons, what circumstances really ought to be considered as appropriate for the granting of that status? That is one of the things that has to be done as part of the exercise that is currently underway.

Also, Madam Speaker—and this is one of the matters that exercises the minds of Cabinet and of the Immigration Review Team—it may become necessary to exempt the specific categories of employment where there is a demonstrated worldwide shortage of expertise, or where there are other factors that make it very difficult to recruit staff such as teachers, nurses, administrators, those kinds of persons where we know there is a global shortage. While there may well be allegations of discrimination by doing this, the fact of the matter is that without key people in various categories, industry, economy and society as a whole will collapse.

The Government is very conscious of these issues, Madam Speaker. We are not blindly headed down a road based on xenophobia, as we have been accused of, fear of strangers, intense or irrational dislike or fear of people from other countries, hatred of foreigners or strangers.

Madam Speaker, I should pause here to say that when *Cayman Net News* will write an editorial in those hysterical terms, it needs to be said that that ignores not just recent history but the history of these Islands. In 1970 the population of these Islands was barely 10,000. It has quintupled in 35 years. Now, I am not sure how a xenophobic nation could have welcomed almost 40,000 people to its shores. If I remember correctly, in the quincennial celebrations it was acknowledged that there were 104 nationalities living and working in these Islands. I am willing to wager (and I am not a wagering man) that there is no other country in the region, save and except the United States—certainly nowhere else in the Caribbean—which is more cosmopolitan than the Cayman Islands, where the people are more tolerant. Any other country, I am willing to say, which had the level of immigration the Cayman Islands has had in 35 years would still be reeling from the turmoil created by all those foreigners coming to their country.

Madam Speaker, I have always said Caymanians are among the most tolerant people in the

world, and it has served us well. We have all benefited tremendously from immigration and the economic opportunities which have unveiled themselves as a result of that. No one is gainsaying any of that; but we have also had serious, and continue to have serious, social fallout from the pace at which we have developed and from the pace of immigration. That has happened, and we are dealing with it and doing our best to cope with it. Certainly nobody in this Government is on any campaign to 'beat up' (if I may use that expression) foreigners, or to do anything to undermine their tremendous contribution to where we are today. That is not what this exercise is about. This exercise is about ensuring that Caymanians maintain control of their country and its destiny and avoiding social disaster.

It is often presented in a way that the Cayman Islands are the only country in the world, or indeed in the region, who have to deal with this and who have adopted this, supposedly xenophobic, approach to immigration. However, that is not the case at all. In fact, Bermuda is going through the same exercise right now.

Madam Speaker, with your permission I would like to read an excerpt from the *Bermuda Daily*—the *BDA Sun*. I am not sure what it stands for, but it is one of the Bermudan papers. It is dated 2<sup>nd</sup> March 2006.

**The Speaker:** Honourable Minister, you will lay a copy on the Table of the House when you are finished?

**Hon. Alden M. McLaughlin, Jr.:** Yes, Madam Speaker.

**The Speaker:** Go ahead.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, the headline reads: **“Countdown to the expat Exodus.”**

**“Hundreds of foreign workers will have to pack their bags and leave the island early next year to comply with new immigration regulations,**

**“Letters have been mailed out to employers, telling them to prepare for April 1, 2007, when work permit holders will have to quit the island if they’ve been here for six years. [Not seven, six.]**

**“There are numerous exceptions to the six-year limit, and employers can apply for a three-year extension, on top of the first six years for a maximum of nine years. However, employers who don’t qualify for waivers or exemptions will have to recruit a new person from overseas to replace the departing worker, if no Bermudian is waiting in the wings.**

**“The policy, which has been in the works for five years, was brought about by fears that foreign workers and their children will demand to become permanent residents if they remain on the island for an extended period.**

"In a letter sent to employers by the Department of Immigration it says: "The community is very concerned that non-Bermudians, who work in Bermuda, should not be allowed to stay for such a long time that they and their children acquire a legitimate expectation of permanent residence status."

"The letter signed by Rozy Azhar, assistant chief immigration officer, says there are about 8,000 non-Bermudians in the work force, and they have about 4,000 dependants.

"The pattern of employment in Bermuda is such that half the non-Bermudians who arrive in any given year are still in Bermuda five years later. Of those, half ... are still here 10 years after arrival. Of those in turn, half ... are still in Bermuda after fifteen years and so on."

"She also said immigration recognizes that the policy will have an impact on their businesses and wants to ensure that they have started thinking about how their employees will be affected long before their work permits expire in 2007.

"The policy has a host of exemptions. It won't apply to registered nurses, chartered accountants, insurance brokers, senior underwriters, reinsurance modelling analysts and butchers because there is a shortage of people in these fields.

"Even if a job category isn't listed, employers are encouraged to make the case to the Minister for an exemption.

"Work permit limits do not apply to people who are considered key to the business operation, a category that covers international company and hotel executives. Other posts deemed key include managers with global responsibility, computer professionals, specialist lawyers and legal librarians.

"Key workers"

"Key posts in hotel industry include director of operations, director of purchasing and regional controller and the gamut of chefs, from executive to sous. Immigration lists architects and architectural technologists as job categories that will be eligible for three-year extensions.

"Companies can also apply for exemptions on the basis of Good Corporate Citizen status if they can demonstrate to the Minister that they have a culture of "recruiting, developing and promoting Bermudians in all levels throughout their company consistently and continuously."

"Foreign workers who have to leave after six years, or nine if they have been allowed an extension, can apply for a new work permit after two years.

"The new policy was drawn up even though work permit holders are asked to sign a waiver when they arrive on the island that they will not exercise a claim to long-term residence.

"It was hammered out by the then Immigration Minister Paula Cox and aimed at recent foreign arrivals. At the same time, hundreds of foreign workers who had arrived in Bermuda before August 1, 1989, but were living in immigration limbo were made permanent residents or given Bermuda status.

"Immigration officials will be conducting seminars for employers next month at the Bermuda Human Resource Association, the Bermuda Employers Council and the Chamber of Commerce.

"Martin Law, executive director of the Bermuda Employers Council, said employers wanted to understand what the process would be adding that the policy would 'cause some difficulty for employers.'

"An immigration spokesman could not say how many people could be affected. He said: 'The Minister will carefully assess the impact of the policy on each business and each employer.'

"He added the Minister has 'been meeting with the organisations which represent the business community to discuss ways of implementing this policy while minimizing any negative impact to businesses and to our economy.'"

Madam Speaker, I beg to lay a copy of this excerpt from the *BDA Sun* on the Table of this Honourable House.

**The Speaker:** So ordered.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, I also understand that the British Virgin Islands is contemplating similar provisions. This should take no one by surprise. Small jurisdictions, such as the Cayman Islands and these other overseas territories which are heavily reliant on imported labour, have to find some means to limit the number of persons who are added to their permanent population base on an annual basis. Otherwise, in very short order, they will lose control of their economy and they will lose, ultimately, control of the country. That is the harsh reality that we have to face.

So, Madam Speaker, I hope that what I have gone on at some length about this evening will go some way further to explaining why the Government is taking the position it has in relation to the term limits policy. It simply, Madam Speaker, has no other choice unless we are prepared, in very short order, to give up control of this country to persons who were not born here. As I said, Madam Speaker, this Minister—and I believe I can speak on behalf of my colleagues—is not prepared to do that. That is not the mandate we were given. To do so, Madam Speaker, is to betray not just those who voted for us but generations yet unborn. It is not about being xenophobic, it is not even about being protectionists; it is about ensuring that those who were born here continue to have the opportunity to avail themselves of all that Cayman has

come to be and all that we hope to make it, not just now but in the future.

It is not an exercise, Madam Speaker, aimed at prohibiting immigration or, indeed, of unduly restricting the growth to the permanent population base. It is aimed at creating a system where the number of persons who are added to the permanent population base is small enough that the society can absorb them, can become assimilated and become part of what is Cayman. The country cannot absorb 33,000 or more. We do not know what the number of people will be in the next 10 to 15 years. We just cannot do it.

We know that when the directives are developed and when the Government's policy in relation to who ought to be exempted is articulated, there will be shouts of discrimination and *'how can you prefer this category of people over that category of people.'* It is very difficult, and no matter what we do some people are going to be unhappy. That is just the reality of the business. We are giving it as careful thought as we possibly can; we are proposing to make provisions so that individual businesses can continue to apply, as is the case now, for key employees to be exempted on the basis that they are truly key.

We have to ensure that we do not wind up with a situation where every year, literally thousands of new Caymanians are being admitted to the permanent population base. The country cannot manage that, Madam Speaker. It is not about being uncharitable, it is not about being xenophobic; it is not about being any of those adjectives that have been used to describe the Government. It is about being realistic, it is about looking out for the long-term benefit of Cayman, Caymanians, and those who live here, work here and invest here who are not Caymanian.

Unless the social fabric of this country is preserved, while they may not want to accept it now, the things that have attracted them here in the first place and have made this one of the choicest places to live, work and do business will be lost. When that is lost, unfortunately those of us who are born here, those of us for whom there is no other home, have nowhere to go. That, Madam Speaker, is why I am absolutely convinced to my core that as difficult and unpopular in some quarters as this decision may be it is the right decision.

I would also ask those who are so critical of the Government's stance in relation to this matter to listen to what Caymanians are saying on the talk shows, on the radio, and in the press. Ask them, particularly the older ones and some of the very young professionals who do not want to make a public statement about this sentiment, what they think about it. Listen to the level of resentment that is part and parcel of almost every Caymanian's statement on this matter, whether it is on the radio or in a letter to the press.

Those who come here may accuse us of being paranoid, but, Madam Speaker, I ask anyone who is not of Cayman to just go back in their mind to where they came from and try to understand how it must feel

to be a minority in the country of your father's, your mother's and your grandparents' birth because that is the way many Caymanians feel.

I have to say that I have been surprised at the number of Caymanians—young professionals, who believe that unless we hold firm to this policy their prospects of advancement will be severely compromised, or older Caymanians who complain simply about going to the supermarket and they do not see a single Caymanian. I want those who, as I say, are so critical of the policy to start to understand where that resentment comes from and how much worse that resentment is going to become and how it is going to manifest itself if we simply allow control of this country to be wrested from those who were born here.

Madam Speaker, I know I have gone on a bit. Not only is this a matter that I am very passionate about, but I felt compelled, in light of some of the misinformation and some of the very narrow-minded comments and statements that have been made about this issue, to bring the Caymanian perspective and to bring the Government's perspective to this issue. I hope that it has assisted in the discussion of this very controversial issue, and I thank you and this House for the indulgence.

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

**Hon. W. McKeever Bush:** Madam Speaker, allow me to quote the *Hansard* from Monday, 15<sup>th</sup> December 2003. In opening the debate on the bill I pointed out that the bill was originally laid before the Honourable House on the 25<sup>th</sup> September 2003, and following a ten-week period of public consultation it then was back before the House. The bill was not something that was just trumped up overnight; it had a long period of public consultation.

More than that, Madam Speaker, I want to quote what I said.

**"The issue of immigration is an emotive one, Mr. Speaker. It is not an easy subject, or one for which there are easy answers. It is often a case of balancing the need to protect your current citizens (and your country) from being overrun by newcomers, wanting to settle, with the need to ensure that you continue to attract quality labour sufficient to grow and maintain your country's economy. In many countries, the indigenous population is not growing fast enough to fulfil the country's labour needs. That, Sir, is true of our Islands.**

**"Over the past 30 years, with the help of the Almighty, our Islands have grown and prospered beyond the imagination of our forefathers. We have a highly reputable financial community envied by the world—even by those who call us their "partners in prosperity". We have a thriving tourism industry. Our God-given beauty has guar-**

**anted the attraction of world-wide attention from those who dream of visiting our shores.**

**“Therefore, it is not surprising that our population has grown, from just over 10,000 people in 1970, to about 41,000 persons by the year 1999. The number of persons on the Islands who are not Caymanians increased, between 1989 and 1999, from 8,387 to 18,529. Our current work permit force ranges between 14,000 and 16,000 people per annum.**

**“Past governments have tried and failed to resolve this issue. Other governments chose to ignore it. However, Mr. Speaker, as the elected Government of these fair Islands, it behooves us to find an answer, a solution that will work for these small Islands in the middle of the Caribbean. We cannot ignore it, for it will not go away; it is growing every day.”** [2003 Official Hansard Report, page 1195]

Madam Speaker, no doubt the problem of immigration and migration have been the problem of the ages. The Cayman Islands have had it all to deal with.

I think the Minister of Education gave quite an exposé on this whole matter that surrounds us today and that the Government of the day has to struggle with as much as we, the past government, had to deal with. I just cannot understand though, Madam Speaker, why they have to go to such great lengths to try to say that we did something wrong. The Government of the day never gets up unless it is to blame somebody for doing something—even when they find themselves in the same predicament.

We have a problem, Madam Speaker, which is two-sided: One side is that if we do not get business we could end up as some other territories have in the past many years, 30 years. If we do not protect our local people we are going to have social problems down the road. How much you do it and the way you do it, Madam Speaker, I think will be the whole crux of the matter.

Small populations cannot accept everybody. We would have social problems; we would have problems with government funding; we would have far too many elderly people to deal with or fully protect as we would want to; we would have infrastructural problems. It is a fact.

We, the past administration, put forward an immigration law which, as the Minister of Education said, he was part of. I should stop here and say that when that Bill came before the House neither you, Madam Speaker (then as one of the Opposition Backbenchers), nor the Leader of Government Business, nor the Minister of Health, nor the Minister of Infrastructure, nor the Minister of Education voted against it. In fact, we took a whole day and some part of the night getting amendments which were put forward by the Opposition.

I thought, Madam Speaker, that we would never be blamed, but that is the nature of the present Government.

We put forward an immigration law which would encourage professionals to stay and remain here and use their money which they earned to stay and invest, with their families of course. That created economic activity and we, by and large, have a harmonious multicultural society. It is true—and this is where we have to be careful—any country which has policies, which encourages exportation of the majority of its gross domestic product, will not enjoy long-term economic success. That is a fact. As I said, this is where the problems lay in protecting our people, and at the same time having sufficient business, to keep the standard of living and to employ the same people that we are protecting.

Our policy on the administration of the Immigration Law, I believe, was one that provided for professional people, skilled people, unskilled and others who showed their dedication to the Islands, to remain, invest and grow with Cayman over the long term. They say we should be careful. I should say so. We cannot have a policy that, perhaps, will result in something else. I believe that certain interpretations of the Law have gone awry.

We will support the measures before the House because we believe that the Government is trying to remedy a situation, and I do not believe that it is one where the past government did not do something, as perhaps was more or less trying to be said in certain instances. The first thing the Minister of Education said was that there was no sufficient educational exercise carried out. I do not think that is correct; it is not true. There was.

I am confident that the public, and in particular the business community, had sufficient knowledge of what the Law contained. If you searched the *Hansards* you would see where we said, “Look. Nobody needs to say we don’t know what this is because we gave them ten weeks and more, probably more like six months in total.”

Every association or business group was spoken to. I must say that Mrs. Sherri Bodden-Cowan did an excellent job.

I think there were television programs where the Chief Immigration Officer was there; radio had programs; there were public meetings; there were newspaper articles, all to tell the public what the bill contained. I do not think you can come now and say that the past government did such a poor job that the public was not educated. They were. There are problems, and I do not think that is the problem.

The problem is not about status. That is not the problem today. Like it or not, the Cabinet status grants cleared up quite a bit of mess although we are still being cursed and will continue to be. There are those who do not know anything else, Madam Speaker, but to jump up in the House and say that.

They cannot deal with other problems other countries face but that will do us no good.

The Minister of Education did make reference to it. While he made reference to that status grant, I listened carefully to what he said. I quote him: "We cannot have it both ways. We cannot make people stay with their families for a long time and then tell them to go. It is not right. It is not moral and the human rights factor is against us. Those are the realities which we face."

Madam Speaker, if it takes ten years maybe—I do not know if I will be alive—one of these days they are going to be much more clearer and say we did the right thing. There may be people who get status that we do not like for various reasons, but it was the right thing at the time. Like I said, there may be some people we do not like that received status. However, the Minister is so right—as we were.

Madam Speaker, there are problems today, but not about status, it is about permits—problems being presently experienced by businesses having severe problems in gaining the work permits they need. Madam Speaker, it is true and we should not forget that the present Law passed by the last government was asked for by Caymanians, talking about the need to protect Caymanians.

**The Speaker:** Honourable Leader of the Opposition, is this a convenient time to take the afternoon break, or are you going to be concluding shortly?

**Hon. W. McKeeva Bush:** Madam Speaker, I do not think I will be too long, but I would still enjoy a break at this point.

**The Speaker:** Proceedings will be suspended for 15 minutes.

**Proceedings suspended at 3.51 pm**

**Proceedings resumed at 4.21 pm**

**The Speaker:** Proceedings are resumed. The Honourable Leader of the Opposition continuing his debate on the Immigration (Amendment) (No. 2) Bill, 2005.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker. I was saying that we should not forget that the present Law, passed by the last government, was one that was asked for and debated throughout the Islands, with people talking about the need to protect Caymanians. As I said, the speech of the Minister for Education was but a rehash of what the debate was then, including the removal this glass ceiling and the protection of the upward mobility of Caymanians and the protection of young Caymanian professionals. In trying to do that, the present Law came into being, as I said, with the support of the then Opposition, now the Government.

Not one of us, at the time, could see something so devastating, so destructive as Hurricane Ivan. People missed the deadline, and I think here the Bill will give people time, with a maximum of nine months, to get a new employee in place. However, I think, Madam Speaker, that what should have been said could have left it at that, rather than say that the past government had not made people know. That is not so.

Times change, Madam Speaker, because I know that you will find in the PPM's manifesto the complaint about the granting of exemptions and today they are here creating another exemption by allowing an extended nine months.

A government has to grapple with the problems they face, and should not be so quick to jump on the bandwagon to try to blame somebody just because you can open your mouth and blame someone. We have to do all that we can to protect local Caymanians. We have to ensure that Caymanians are trained; that is what is necessary. They can come up behind me, Madam Speaker, and say that we should have done it. Well, I could not do everything in three or four years, and it seems that the Government of the day recognises that now that they are saying that they need eight years. What needs to be ensured is that we offer training. They say be careful, and I agree.

The present policy can result . . . and all of us have to make it to put it in the law, but we have to look at both sides and look at what has happened in other countries. It can provide for a labour situation to which the majority of our professional, skilled and unskilled, will have to go, taking with them the clients and our business, costing the private sector and costing the public sector and, therefore, Madam Speaker, when you do not have the business you cannot get the revenue and when you do not get the revenue you reduce the standard of living for all our people.

Madam Speaker, as I said, the Government says that they think this is the best route to go. Let us see what else is going to happen in the next couple of months or the very near future with the whole matter of immigration. Let us see.

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

Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker.

**Hour of Interruption—4.30 pm**

**The Speaker:** Honourable Member, since we are so close to the hour of rising, maybe you can move the motion for the suspension of Standing Order 10(2) to allow us to go beyond 4.30 before you start your debate.

**Suspension of Standing Order 10(2)**

**Mr. Osbourne V. Bodden:** Madam Speaker, I would like to move a motion to suspend Standing Order 10(2) to allow us to go beyond 4.30.

**Mr. Rolston M. Anglin:** Madam Speaker, I beg to second the motion.

**The Speaker:** The question is that Standing Order 10(2) be suspended in order to allow business to go on beyond the hour of 4.30. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Standing Order 10(2) suspended to allow Business to go beyond 4.30 pm.**

**The Speaker:** Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker.

Madam Speaker, I rise to give a short contribution to the Bill before the House today on the Immigration Law, 2003. It is a Bill to amend that Law, in particular in relation to the term limits as they currently exist, which is the seven-year period or 'rollover period' as commonly known.

I would like to commend the Honourable Member for bringing this Bill to the House. I think it is only fair that I refer to some comments made by the Leader of the Opposition in his recent contribution. He said that if anyone had not listened to the Minister of Education's contribution they would swear that he had not done anything but criticise the past Government. I do not think that was the case; I think his contribution was very enlightening, especially being a member of the past Immigration Review Team, and I think what he criticised was the abuse of the 2003 Law, and certainly not the Law itself, but the abuse of that Law when the previous administration granted wholesale status to over 3,000 people.

Anyway, I would like to move on from that. Certainly, the situation as exists now has been on the table for some time. As a Government, we recognise the difficulty that is faced in this country at the moment by many businesses and many sectors. As the Minister responsible for Education said in his debate said, we have had many representations from across the board on this issue.

Some people are using Hurricane Ivan as the reason why they are not prepared. To my own mind, I feel that in a lot of cases people knew the Law was in place, but turned a blind eye (as it were, in some cases) to it and figured when the time came around,

*'We will get through it and we will do as we always do and we will get our way and move on.'*

Madam Speaker, a country the size of Cayman cannot continue to absorb individuals indefinitely and expect at the same time to have our own people prosper in it. We are a Government that stood on the platforms of this country and spoke about the development of our people, spoke about education and the plans that we have, spoke about all the plans that we have for new schools. In fact, as I speak we are busy planning the development of new schools. All that would be in vain and for naught, Madam Speaker, if we were to just, say, open the floodgates because we have been pressured by the employers who certainly have a large voice in this country.

We do not want to alarm anyone because we are not here to say, *'We do not need you'*. We know the need of the foreign worker in the Cayman Islands; but we also know the ability of our own people. That ability, it is my belief, will never be fully realised until the day that we allow them to develop and give them every opportunity to take their rightful place.

Like I said, Madam Speaker, right now we have representation from across the board. We have the media crying out in various forms for the rollover policy to be reviewed. I say that for a country with 45,000 people and 22,000 work permits—50 per cent of its population—certainly does need a rollover policy.

What this Bill is trying to do is allow people the time to get their affairs in order and, in the case of an employer, hire new people where possible; and, in the case of employees, be prepared to move on and work somewhere else. We know that we have key employees. In my own business I know that, and in my own life. I have people I would wish not to see leave. We all become attached to these individuals; there is more to it than just a working relationship, you become friends, you become social partners.

I have always felt that if people understand that from the beginning when they are coming to the Cayman Islands they are coming here for a set period of time on a contract or on a work permit system, Madam Speaker, as long as they understand that and they are not led into believing some other form of security will be granted, then I believe a lot of people are prepared to accept that. I know a lot of people have said that to me over the years.

We run into trouble when we do not have clear policies and people get false hopes. We get into trouble when people commit themselves and, basically, as it were consider this their home, and then they are not taken care of as a Caymanian or given the rights that they should be granted under the law. People become discontented. Madam Speaker, first and foremost, we have to bear in mind . . . I think, too often, we think about others' feelings and forget about our own. We have to think all the time what are we doing to our people and our young people's hopes.

Right now my son is in university. If I did not support this rollover policy, then I would certainly be wasting my resources on having him there and certainly giving him no hope to return to make this country a better place.

The PPM Government is about promoting our own people while welcoming others to our shores to live and work among us. Madam Speaker, I said to live and work among us, I did not say to dictate to us and too often this is what happens. Once it comes from the outside and the spoken work comes from someone else, it is always what is best for us. We have to start to take some of our own destiny in our hands and decide where we want to go as a small, affluent country. We are affluent because of many factors. We have had many good people come to these shores over the years. I have worked with many of them.

I found that you have, generally, two types that come: you have those that come purely for economic reasons, and you have those who come for economic reasons but also they fall in love with the Cayman Islands and they wish to make Cayman their home. Now, I think when that latter category fit themselves into a key position and they go on—because the law, as it stands now, will allow those individuals to go on to get permanent residence and Caymanian status—then I think that you are getting what is best for the Cayman Islands. Those people mean us well; they are willing to work with us and to develop us.

However, I am here to say that I have also seen the other persons in action. All too often they are the ones who are so vocal, the ones who are here to keep us down and to keep themselves up. They are the people who have the shifting goal posts and the glass ceilings in the office places. Madam Speaker, of course they are afraid of the rollover policy because it breaks up their nest egg. They do not want anyone to move them on because they come and they seek, they do their endeavour best to bring their friends and cronies from where they left behind. Sometimes that is not always bad because we are always looking for good workers. We are right now short on a fully skilled Caymanian workforce.

I was reading one of the papers today and there was a comment in there from one of the regular columnists. I think the comment went something along the lines that Caymanians will basically never be good enough until they go ahead and get the experience that these people we are trying to replace have. I thought about that and I said to myself that is so ironic. I wonder how much this person knows, when I happen to know that a lot of these people came to the Cayman Islands with a good, solid education, yes, when you are talking about the financial sector—and this is one of the sectors that is being fairly impacted as we speak. However, I can stand here and say that a lot of them come here with zero experience as to offshore financial industry work. They come here and they are given an opportunity because of their qualifi-

cations—and because you do not have a Caymanian or a Caymanian has been kept down—and they excel because of that opportunity they were given.

I believe that our people, when given those same opportunities have proven themselves to be as good as anyone else.

I hope that anyone listening to me will understand that I am very passionate about this, but I am also very fair because I have spent 20-odd years in the offshore financial industry. I know what goes on there. I know how hard it is for Caymanians to succeed. I know the prejudices, and I know that sometimes even the victimisation that takes place. However, Madam Speaker, if our Caymanians are given an opportunity and they are willing to grasp it—because let us face it, not all of our people are—I am willing to bet that when they are given the foundation that these people come here with, and you put them there and you give them the same opportunities and the same perks and benefits, at the end of the day they hold their own with anyone.

This is what we as a government have to seek to do. We have to create an environment, and the only way we are going to do it is if this rollover policy is in place and we get a chance for our people to take their rightful positions. If we do not have the labour, if we do not have our own people, then, of course, we need to continue with the work permit situation and that will be, I am sure, indefinitely. What we are saying is that we have to control the numbers because the way it is now, and the way that a lot of them would wish us to believe, is that if we do not do something about this right now, everybody that they have is indispensable and the whole sector is going to come crashing down and all the businesses are going to fail tomorrow morning.

I am here to say that there is no one, really, that is indispensable. At the end of the day, if something were to happen to one of those people, say, they were unable to work for some reason—let us say they die—Madam Speaker, they would be replaced. These individuals are just putting up what anyone else would do, I guess, protecting their own investments. However, we as a government have to look beyond that. We have to look at the big picture.

Right now, like I said, we are talking about investment in three new schools in vocational training for the upward mobility of our people. If we were to abandon this rollover policy as many would have us do, well, certainly, I would hang my head in shame and would not like to be a part of any administration that was responsible to this country for such an act.

What the Bill is therefore allowing is for these individuals to now be granted a fixed-term permit at the discretion of the Chief Immigration Officer. This fixed-term permit will be for the maximum period of nine months.

I know that a lot of people have said that they did not have enough time to get their affairs in order, and, apart from the employer saying the business is



going to suffer, the individuals are saying we do not have time to get our things in order. All of that has been taken into consideration under the ongoing review and the representations that have been received. Therefore, this government at this time feels that this will give the required breathing space for individuals to get themselves sorted out, for employers to look at replacing, where necessary, and hopefully for promoting Caymanians and giving them a chance where previously maybe they were being held down.

Certainly, looking at this through the big picture, I must say that I cannot see where anyone in this House would not support such an amendment. I know that the Opposition, and indeed I think many other interested parties, are united with us in this approach because at the end of the day we have a small set of Islands, the Cayman Islands, and we cannot be all things to all people.

We have to find a way of balancing our act going forward. I can tell you it is not easy. When the new Immigration Review Team was put together last year, I was one of the Members of the House who was, as it were, seconded to that. Some of the issues that we faced with immigration in this country—when you start to look at the law and the way it interacts with all of the various components—sometimes it is a daunting task because it is an ongoing process. There is no one piece of legislation that is going to fix it.

You are not going to wake up one day and say *'this is it now, we have it right and this is how we go forward'*. We think we are fixing something now and down the road we find we have to fix again or change our position because things are not going quite . . . Immigration is a dynamic business and you are dealing with a very fickle economy, an economy that is based on the financial industry, heavily dependent on it and heavily dependent on tourism. Therefore we do not have a lot to fall back on. We have to work with those who come here. However, Madam Speaker, they have to work with us as well. This is our home and we have every right to protect it and look after our people and make sure that their rights are heard.

I therefore close by giving my support to this amendment and thanking this Honourable House for the time afforded.

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

Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker. I too rise in support of this amendment for the Immigration Bill. I believe, Madam Speaker, that the proposed amendments are extremely important and, of course, very timely. I would like my contribution to take a little different line, but not completely away from what has been said previously.

During the campaign process I championed with the cause of our young professionals in this country who were, for many reasons, being disenfranchised and not able to secure their rightful places within the workplace simply because of immigration matters. People that they should have been replacing, for some reason or the other, either continued to get work permits or new work permits were granted and these young Caymanians were never recognised or given the opportunity to move forward. That has not changed. I still get representation from many of them. As a matter of fact, I have a group that I talk to on a regular basis.

Many of these young people have done what was asked of them. They have spent their time doing their apprenticeship, they have spent time and money furthering their education, many of them overseas, coming back to the Cayman Islands all excited about getting involved in businesses and planning their careers, their families, and all of the things that go with that. They come to find out, many times, that the firms—and I will say at times even the public sector—seem to have no record of these young people coming back to Cayman for their jobs.

They come back and the jobs that they should be coming back to are simply not available. They are put in holding tanks, told to *'take this until this becomes available'*. Then the next thing we hear is that, *'oh well, that person who had that job (that they should be replacing) either got an extension to their work permit or they acquired Cayman status'*. That young person has to decide there and then whether they are going to sit there for another five or ten years in a position that they may be making a comfortable salary, or they are going to change careers and probably get involved in employment that they did not train for. So now all of the training and preparation that carried them through their life is now wasted; it is no longer of any use to them.

I am in full support of the rollover policy. I am in agreement with the amendment that has just been brought to this House, if for no other reason but to be able to say that what I have done for the livelihood and peace of mind of our young Caymanian population.

It is something that many of us do not want to talk about, there may be many of us who do not even know that it exists, but there is a culture within the business community where the majority of the HR (Human Resources) managers in this country are expatriates; they themselves are on work permits. There is a reason for all of that.

If we look at the trend, I am sure all of us understand what is happening. You have an expatriate HR manager; their trend is to continue to employ people from their own country. If you had Caymanian HR managers in a lot of these positions, then it would only be natural that they would make an attempt at least to employ Caymanians. So we can check it out. The ma-

jority of the large firms in this country, their HR managers are expatriate workers.

What happens with our young Caymanians who, try as they might, cannot make any progress? These expatriate HR managers—and I know the stories and some of them you hear would make you crawl. I am sure that all of us have had some representation at some time or another from some of these young Caymanians who come to you and they whisper to you and tell you what is going on in the firm, but they beg you, *'Please do not call my name'*. Then you are handicapped. You understand what is happening but you are then handicapped.

You cannot move forward because the managers will know where your information came from. That individual will then, if he does not lose his job, be passed over for salary increases and promotions, be put in a corner where he becomes frustrated and eventually forced to leave the establishment. This is what continues to happen in this country.

If we do not do something to force the business community to understand that it is by far cheaper—and a lot more advantageous for them—to train Caymanians and put them in these positions, stop being able to simply get a new work permit whenever they feel like it, or get an extension to a current work permit, we will keep these young Caymanians down. We have to put a stop to this.

Madam Speaker, another thing that happens is these people who are in these companies that have the ability to make decisions as to who they hire, many of them stay long enough to either get PR [permanent residence] or they go on to get Caymanian status. If they stay with the firm (many of them do not) they then seek better opportunities for themselves and start their own businesses.

Now, the culture they grew up in says to them, *'I do not want any Caymanians working for me'*. That is how they grew up in the business they were in before, so why is that going to change now? They now have their own business; they are going to continue to hire expatriate workers. They have no intention of training young Caymanians unless, I will say again, we understand that we have to stand firm and protect our local people.

Now, I do not want anybody to think that I am anti-business; I know exactly how important that is to our little country. However, we must be able to strike a workable balance, something that benefits all people.

We all listened to the contribution from the Minister of Education, and I really do not have anything to add to that. We all understood exactly what it is that he was saying. We listened to the numbers and they made sense.

Another thing that happens, Madam Speaker, is that the business community continues to say, *'This individual is indispensable to me, my business will fall flat on its face if I cannot get this person's work permit extended.'* They all say that. However, Madam Speaker, I will tell you this much again: If we look at it

closely we will understand that it is the business community's wish that all their employees would remain on work permits. They do not even want them to get PR or status. That way they have control because they understand that once they get PR or they get Caymanian status—as indispensable as they thought they were—they are going to leave and go into business for themselves. That is human nature.

All of a sudden, this person who was so indispensable to me becomes my competitor. I know that is an easy thing for a lot of Caymanians to say, and a lot of them do say that, but if they stop and think about it for a while they just have to follow the rules. You understand that you get a work permit and you have the ability to get it for up to seven years. At the end of your five or six-year period you need to start looking to replace that person. If you were doing your succession planning like you should have, you should have had somebody moving up in your organisation to replace that person. You had enough time.

I know that this is not an easy thing, Madam Speaker, and while I have mixed feelings about whether or not the advent of Hurricane Ivan played a major role in disrupting this process and that it caused people to forget that their employees were coming to the end of their term limits, that is another matter. I guess I could agree that it played some role, but you are running a business; just like you must ensure that your pension is paid and your insurance is paid and your Trade and Business Licence is kept up-to-date and all of those things, and whether you have to pay your employees at the end of the week or at the end of the month, this is just another administrative part of your business. You must know that someone's work permit is coming to its end and you need to prepare for that. As a good business manager you need to understand that.

We do realise that it does cause some difficulty and hardship for some individuals and some companies who inadvertently have genuinely forgotten that this thing was coming to an end, and now it is difficult for them to get somebody to replace this individual. We need to make it very clear for the business community to understand that the ability of the Chief Immigration Officer to grant a fixed-term permit for nine months, once legislation is passed, will no longer exist after December 2006. We do not want that to creep up on the business community again where, all of a sudden, come January they say, *'Well, I did not know it ended in December.'* We need everybody to understand that. The longest you have somebody serving on a fixed-term work permit in the Cayman Islands will be September of 2007.

I need to make it quite clear that the business community, those who hold work permits, understand that no more will be issued after December 2006.

I know it is a difficult thing for businesses at time, Madam Speaker, when things like this happen and you become frustrated and you do feel like your whole business is falling apart. However, if we sit back

and think about it for a little bit, the Government is trying . . . and this can work a lot smoother if the business community takes time out to try and understand and come to the decision that they must do their best to work along with the Government on this. We have gone ahead and are trying to make some amendments to the Law that would allow them some more time, since they say they did not have enough time. However, let us take advantage of that now and do it the right way.

I have another scenario of what happens in the Cayman Islands that I would like to share with everybody. This is about a young Caymanian who was working in an Authority, as a matter of fact, who was being trained to take over a person's job by that very person. This young Caymanian is very capable, one who has done all the necessary studies. After that individual was here for about six months and began to like the Cayman Islands, the individual decided that she was not leaving. She wanted to stay here. So what did she do? She stopped cooperating and she stopped training the young Caymanian. Now, management at that Authority would not support the young lady. This is where things fall down on us, when sometimes our own Caymanians do not assist our youngsters.

Out of frustration, over a couple of months, when this young lady could not make any headway, nobody would listen to her and the lady had simply stopped training her, she left. And this is what happens all the time. We need to make a concerted effort as a whole, as a country, that our first priority must be to look out for our deserving Caymanians.

Being Caymanian alone has never been, in my books, any guarantee that you should get a job. You must deserve to have that job. You must be willing to take training to do what it takes to qualify for the job. I do not believe in just giving somebody a job just simply because they are Caymanian. Our Caymanians must understand that and know that they have to work to deserve what they get.

I also want to take this opportunity to encourage our Caymanians, our young people especially, to please take advantage of their time in school. Take advantage of the opportunities that you have in the workplace to make yourself better, to further qualify yourselves. This is the excuse that they continue to use when not promoting us or putting us in higher positions in their companies. I need to beg our young Caymanians especially to please make the extra effort to do what is necessary to qualify.

We have heard talk many times of this supposed 'brain drain.' I have always contended that it means something different from how it was originally coined. The brain drain they refer to is expatriate workers leaving our jurisdiction because of unfavourable working conditions or immigration policies. We are in more danger of losing the brilliant minds of our own young Caymanians who cannot find a suitable

place in their own country to practice what they went to school for. That is the biggest tragedy in all of this.

Madam Speaker, the amendment to this Bill has my full support. Thank you.

**The Speaker:** Does any other Member wish to speak? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, the Immigration (Amendment) (No.2) Bill, 2005, before this Honourable House is one that needs the deep consideration of all honourable Members. As the debate thus far has demonstrated, one still has to look at the wider context of Caymanian human capital, how it is going to be developed and how it is going to be allowed to maximise its full potential, when we are looking at these specific sections of the Law that are sought to be amended.

It is encouraging to note that the legislators here who were also Members when the Law was passed back in December of 2003 still have the same resolve as we did back then when it comes to the overriding principles that underpin the Immigration Law of 2003. Without a shadow of a doubt, given the social, economic and educational makeup of the Cayman Islands, we still need to have in place certain mechanisms that further the interests of Caymanians in legislation.

There are those who dress up in sheep's clothing who continue to say that there is no need for this to be statute driven, and that the right thing will be done by Caymanians and toward Caymanians. History has proven otherwise. In fact, I venture to say that over the years the situation has gotten worse in certain industries and certain companies.

There once was a time where the claim was that Caymanians needed to have an education, because without the education we could not demonstrate to companies the prerequisite skills to be able to carry out duties at certain levels within firms. I use the term "firm" to mean any type of business.

Nowadays, the claim is, for those Caymanians who have gone and gotten their education (whether it is a college degree or whether it be certificate programs at the University College), do not have the experience. So because you can continue to shift the goalposts—but businesses have even greater ability, businesses have the ability to shift the entire field. They can shift the entire landscape. They have the possibility to cause our own people to be disenfranchised. I do not believe that that point is up for contention in this Honourable House. I think all of us agree on that particular point.

If I were to reflect back very briefly at the debate on what was then the Immigration Bill—

**The Speaker:** Honourable Member, just quote which day of the debate, if it is the unedited *Hansard*, or is it the edited *Hansard* that you are quoting from, please.

**Mr. Rolston M. Anglin:** Madam Speaker, the printout that I have before me reads "*Official Hansard Report*, Tuesday 16 December 2003" page [1241].

The now Honourable Minister of Education, on that day said, and I quote, "**It is not often I laud the Government, but I believe that its vision, foresight and courage to pursue what was started by the Leader of the Opposition to bring this Bill to this House at this controversial point; and both sides joining ranks even though there are one or two issues with which we disagree on this important matter, is again something that we can all be proud of. I believe, Mr. Speaker, that this will be judged by history and by the historians to be a signal time in the critically important evolution of these Islands.**"

Just as I agreed with him then, I certainly agree in broad terms with him today. We understand what happens with these emotive types of issues and we understand why it took so long for real, meaningful immigration reform to take place in this country.

We see now in the media the continued attacks on the term limit policy because there are those who somehow believe that if you continuously pound an attack you will get those business interests, who are the drivers behind that, to continue to flex their muscle and divide the Legislative Assembly; and in dividing the Legislative Assembly, the possibility of dividing the public; and in dividing the public forcing the Government to have to reconsider whether or not a term limit policy should be in the best interest of the Cayman Islands.

I say that this Legislative Assembly today, in the contributions thus far, has sent a clear and unequivocal message that the key points that underpinned the Immigration Law, 2003, will not be shaken and that it will remain. So my advice, really, is for people who have that agenda to perhaps use their time and resources to throw light on other important issues to this country and to this nation, and to continue to work on putting pressure on those issues and try to cause change in areas that are up for debate and change. However, I am happy that we are not here divided over what is going to be the hallmark piece of legislation when it comes to the development of the Cayman Islands and the development of Caymanians.

I am happy that God blessed me with the honour of serving the people of West Bay when this piece of legislation was enacted into law. I do not believe that most human beings ever really get that opportunity in their lifetime to be a part of important change, a part of important paradigm shifts within their country.

Madam Speaker, the Immigration Law clearly sets out within the transitional provisions how people were going to be treated from 1<sup>st</sup> January 2004 onward. We now hear cries that people were not prepared and that, all of a sudden, a lot of stuff has just 'snuck up' on people, just out of the dark.

When I look back on the debate, the point was made by the current Leader of the Opposition and by other Members of the House that businesses needed to make it their business to understand the Immigration Law, 2003, to understand the implications that it had to their businesses and employees and to start planning immediately, to start making sure that they were structuring their human capital, their employees, in such a way that they would not get caught in any of the transition provisions.

I have read stories that have been put in the press where some business owners have questioned whether or not the Immigration Law, 2003, was properly thought through. Madam Speaker, first of all, the original Immigration Review Team went through great pains in terms of research, in terms of debate within the team to come up with this final product. I do not believe that there was any stone that was left unturned. What I believe is that the final product did not meet with the support of certain business establishments, even from December 2003 when the Bill was passed, and, therefore, why should it meet with their support today.

We have a crisis on our hands in this country when it comes to the marginalisation of Caymanians. Madam Speaker, like any other country, we have citizens who wind up being model employees and we have some who wind up being not-so-good employees. Ultimately, they are still Caymanians. Most of them have a family and most of them need to survive. I say to people all the time, yes, we have a lot of work to do, mainly within the homes. I know we have challenges within the education system; but, by and large, from an academic standpoint, I think the education system has served us well.

I understand that there is a need to restructure education in such a way that those that are not academically inclined are able to further maximise their potential. However, getting back to those employees who are challenging: They wind up within a five-year span being with possibly six and seven employers. For whatever reason they just cannot seem to settle down. I say to every Member of this House and the wider community, especially the business community: if your position is that those people should simply be shoved to one side, that you be the first to line up at the door of this Legislative Assembly to pay substantially more taxes to support a social welfare program that will allow them and their families to survive.

I do not believe that there has been any government in this country—or will be, given the economic strength that we have—that will allow Caymanians and their families to fall through the cracks, unable to survive, and become homeless. That is the public practice in many rich, industrialised countries like the United States of America.

If you accept that that should not be the public policy you therefore have to come to the inescapable conclusion that every Caymanian's ability needs to be

maximised. We understand, because all of us have constituents who frustrate us as we see what happens within their lives. All of us go through the frustrations. All of us see it. All of us know it. However, the reality is that they are still Caymanians and they still have to survive. There is no place for them to go; they are ours.

So we understand that it is very comfortable and convenient for a business owner to simply say, *'Well, I have 'X' number of employees, they are trusted by my clientele, I can wave that magic wand of a work permit over their heads, I can get them to do anything I want because they are in a situation that is akin to indentured servitude to me. I control these people's lives.'*

I can understand why there is a move to go back to that system. I can understand why there are people who are agitating and wanting to get back to what was the 'good old days,' pre 1 January 2004, where they dictated everything, where the system of immigration was so muddled and so large that no government could truly come to grips with it. You would get the one-off complaints of Caymanians who might have the nerve to come and talk to you or have the access to come and talk to you. God knows you keep hearing about 'X' person who has been unemployed for six months, eight months, and you know them and you know they are hardworking employees, but because their companies have restructured they cannot find a job.

What causes social breakdown is not when everyone is poor; it is when there is a great divide between the rich and poor. It is when there are people who are capable, willing and able to work, and they see the advertisements for the jobs and they apply and they apply, and they apply, but every reason in the world is given as to why they cannot be hired. They see foreign nationals within their country enjoying the milk and the honey from their land, irrespective of whether or not they can hold all those various jobs.

As I understand it, the 'Caymanian dream' is to be able to have steady employment, to be able to raise their families and afford themselves of whatever lifestyle that income can get them to. I believe it is that dream that builds strong communities and great nations. If you do not have that dream, then what do you have?

How are you going to be able to have a stable population and enjoy the type of social and political stability that the Minister of Education spoke about to allow you to continue to grow and prosper?

There is an argument that exempted employees should not just be those that in the hallmark professions of law, medicine or accountancy. I agree with that. However, the Immigration Review Team on this point was very clear and we were unanimous. We were unanimous that we cannot have exempted employees for positions that Caymanians can be trained for relatively easily.

For example, a company may have ten security officers. For that company the honesty, integrity and hard work of those security officers is key, absolutely crucial to that company being able to survive and being able to win and keep contracts. The business owners within that industry could very well argue that for their industry and for their businesses a security officer is critical and key. While that argument is true, what the Immigration Review Team said was, *'We are sorry, but we are not going to allow for those persons in those types of professions to become exempted persons because we know we are producing several hundred high school leavers a year.'* So the argument that *'oh well, when we advertise we do not get any Caymanians'* is going to continue to fall away as time goes on.

You see, Madam Speaker, why should Caymanians not look at the job market and try to find the place, however they define it—try to find the industry, the company that is best for them? With the size of the economy, the majority of Caymanians today do not go into certain industries, but we know that there is great potential for that to change within the next ten years. Within the next ten years how many high school graduates will we have had then? As the job market continues to fill, Caymanian labour will naturally follow job opportunities.

Whereas today, a person coming out of high school who, say, may not have any O level or CXC passes may very well shoot to become a bank teller. What happens five years from now when a person of equivalent grades looks at the job market and sees all Caymanians filling bank teller jobs? They cannot apply for the position because there is no space for them. They will have to look elsewhere. Their labour, their commodity of labour, is going to have to be taken elsewhere in the job market.

So if we simply had allowed companies and industries to argue that in their industry certain positions are key and should, therefore, be exempted, what we will have wound up doing is filling posts with non-Caymanians who would then be able to get through the fixed-term policy and move on to status and PR where you would have Caymanians coming through the ranks over the years who would potentially need to fill those positions. That is the philosophy when it comes to that specific point.

I know that back in 2002/3, Ms. Sherri Boden-Cowan went to the Chamber luncheon, I think on more than one occasion. I know that she met with every association and every one of them wanted to meet with her. She met with individual companies and she made herself available and she went out and championed this Immigration Law. At the end of the day, I do not believe there is any business establishment in this country who wanted to understand the intricacies of the Immigration Law who was not afforded the possibility of free advice on what was the cornerstone of the Immigration Law.

If this Legislative Assembly is able to reach that conclusion, I therefore submit to this Honourable House that I have little sympathy (some, but little) for companies who now come, claiming that all of this was sprung upon them suddenly. What they are doing is playing a cute game. Because there have been different interpretations of the provisions of this Law, and because there are certain provisions within this Law that like any other large and complex piece of legislation that do need some tidying up, because they heard those utterances over the last couple of months they have now seen that as an opportunity to come and say, *'Well, you see, the Chairlady of the Business Staffing Plan Board is saying this; the Chairman of the Work Permit Board is saying that; therefore, it is now my opportunity to strike and say the Immigration Law had more holes than Swiss cheese. Now I am supposed to be given a reprieve.'*

Madam Speaker, you know, being a part of the first Immigration Review Team, having had that benefit and then being a part of the Immigration Review Team 2005, and looking at the report that was submitted to Cabinet, while there are areas that need some tidying up and some work, I have not heard any member of Government get up in this Legislative Assembly and say that there are any wholesale changes needed to this Law. That leads me, then, to the inescapable conclusion that, just as the Law was endorsed unanimously by the House in December 2003, this Law still enjoys the unanimous support of the current Legislative Assembly.

You see, Madam Speaker, what happens is that when people get up on their little platforms and they want to play their politics, they have to understand that when they do that they create opportunities for *opportunists*. While those comments may have been comments that would have caused those on the Government Bench and their supporters to feel good, I do not think that the feeling is so good now that the can of worms has been opened and the media has jumped in and launched this full-fledged attack on term limits and the rollover provisions in the Law.

I think, in my humble submission, it has been some of those utterances that have caused some of the furor out there because once people sense a weakness they will go after it. I believe a weakness was sensed and, therefore, we now see people coming to the fore making their arguments.

A point was made earlier (and I hear where the Member is coming from) in regard to how some establishments purposely circumvent and sidestep Caymanians. The only thing I would add to what the Fourth Elected Member for George Town said, is that while there may be some HR managers that do that, I would add this: It is the corporate culture that is doing that, and not necessarily the HR managers themselves. It is the tone of the company itself. Whether that HR manager is non-Caymanian or Caymanian—because one thing I have observed is that when you look at a lot of large companies' senior management

teams the only Caymanian you can find is the HR manager, and it is almost always a female HR manager. Very rare is it a male.

In my opinion, they are pushing a corporate agenda, not necessarily a personal agenda when it comes to marginalisation of Caymanians in the workplace. I think all of us understand that problem and that was, again, one of the reasons why the original IRT came up with this structure. This structure was not only about building numbers in the population, it was also about the mobility of Caymanians within the job place, within the workforce.

One thing that has to also be said (and I say this to all Caymanians) is that while there may be frustrations and challenges, one thing we have to exercise is restraint, control and patience. While some people today may not get the promotion, may not get the post that their efforts deserve, they have to stay the course and time is a miraculous healer.

We do not want a situation to continue to fester, as it is now, where we have Caymanians continuing to push an agenda that can cause social breakdown and cause the businesses and the foreign direct investment that we rely upon for our jobs to leave. I say this: I would much rather for people to come to me complaining about the challenges they have in the workplace, versus coming to us in massive numbers trying to find a job. In other words, while we need to hold fast to the Immigration Law, 2003, and while there is great work needed in the area of employment relations and employment practices, we need to exercise restraint and control, understand and look at it from a long-term perspective.

We need to look at it from the perspective of our children and grandchildren and say we have to make sure that we do not 'cut off our nose to spite our face', as the elders would say, that we do not destroy what it is that affords us the lifestyle we currently have. I say that I would much rather be in the fight—because at least if you are in the fight you have a chance—than to have a situation where we have massive unemployment because we make life so difficult and the social fabric is such that businesses start to close up shop and leave the Cayman Islands to go to other places.

There needs to be a balance; but we need to continue to focus on that big picture. I believe that with the current Immigration Law, and with a complete re-vamping of employment services and how we research and have data available to us in regard to human capital in this country, that is going to start to provide for us the type of information we need to better be able to serve our people.

There are two specific points in this Bill that I think need to have greater clarity brought to bear from the Government. Section 3, which repeals section 6 of the current Immigration Law, is the first.

The current Immigration Law section 6(1) says, **"The Governor may appoint committees of members of each Board and may delegate to such**

**committee any of the functions of the pertinent Board.”** In other words, the definition of “Governor” in this Law (as is the case in many others) means Governor in Cabinet. The Cabinet can take, for example, the Work Permit Board, create a sub-committee of the Work Permit Board to deal with an issue that the entire Board has the capability of dealing with.

Subsection (2) of section 6 then goes to say, **“The Governor may appoint a Secretary, who shall not have a right to vote, to a committee appointed under subsection (1).”**

Subsection (3) then reads: **“(3) A delegation under subsection (1)-**

- (a) shall be in writing;**
- (b) may be made subject to such limitations and conditions as are specified in the instrument of delegation;**
- (c) may be determined at any time; and**
- (d) does not effect the exercise of the delegated function of the Board.”**

Now, Madam Speaker, in my mind, what section 6 of the current Law does is allow Cabinet, through communication with its board, to get work done that it may need done more efficiently and perhaps more effectively. This current Bill recommends that the entire section be replaced with: “6. (1) The Chairman of a Board may appoint committees comprising no fewer than three members of his Board including himself or his deputy and may delegate to such committees any of the functions of his board save that-

- (a) he shall, as soon as practicable, notify the Governor of the appointment of any such committee; and
- (b) either he or his deputy shall be the Chairman of each committee so appointed.

(2) The Secretary of the Board shall be the Secretary of each committee so appointed.”

Now, Madam Speaker, I have a difficulty. Let us use, for example, the Status Board. Is this section saying that the Chairman of the Status Board can create a sub-committee from his Board, carry out any function that the Status and Permanent Residency Board is charged with, including the ultimate grants to individuals, and simply have to notify the Cabinet of that sub-committee being created, and that sub-committee then can do the work of the Board?

I just see that, Madam Speaker, as a replacement that I am not comfortable with. I believe that, ultimately, any such creation of sub-committees should be the Governor in Cabinet. I do not believe that any Chairman of these powerful and important Boards should have the ability to dissolve it into certain sub-committees, deal with the content of the Board itself, and simply have to write to the Cabinet who appointed it in the first place—the Cabinet that is ultimately responsible to this country and to our constituents—and simply inform it that he has created any such board and is carrying out this work.

For the life of me, I cannot even see the reasoning for it. I believe that if there is a difficulty, the Chairman has to speak to Cabinet. Cabinet meets every Tuesday, and at the next meeting of Cabinet, Cabinet can create the sub-committee. I cannot see where the current section 6 causes such great difficulties that we have to make this dramatic step. Perhaps that point needs to be more clearly explained to this Honourable House before we actually go down that road and adopt that particular section of this amendment Bill.

Madam Speaker, amendment 4 deals with a new creature called a “fixed-term work permit.” Subsection (2B) says that any of these fixed-term work permits that are granted shall be for a maximum period of nine months. Subsection (2G) says that the Chief Immigration Officer shall have the authority to grant these up until 31<sup>st</sup> December 2006.

**“(2B) Where a worker has been granted a final work permit under this section other than under subsection (4) [that is, in the substantive Law] which work permit has expired, his employer may apply to the Chief Immigration Officer for a special permit (in this section referred to as a “fixed-term work permit”) and the Chief Immigration Officer acting in person and in his absolute discretion may grant such a permit for a maximum period of nine months.”**

My question on that point is, is this new regime basically saying that if someone falls into this category right now, and after this Bill is assented to they apply for a fixed-term work permit, they will get it for nine months from that date of grant? Will a person who currently is not in this situation as of today, but falls within this situation on 31<sup>st</sup> December 2006, get the exact same nine months which could extend them into September 2007? Therefore, is it only the persons who today their work permit—and again, except for those who fall under subsection 4—whose work permit has actually expired, as of the date of those applications? In other words, there is not a possibility for a person whose permit is now expired to wait until 31<sup>st</sup> December . . .

Okay. The Minister of Education, I think has clarified the point. The point being that because it says the final work permit *has* expired, that would mean that at that point, if they tried to stay on, they would be an illegal immigrant.

So, Madam Speaker, I think certainly that point in my mind is now clear. There is no possibility of people simply sitting around and waiting to try then, at the last minute, to get a fixed-term work permit and in effect wind up having a longer period of time to wrap up their affairs than the person whose permit legitimately expires on 31<sup>st</sup> December.

Madam Speaker, I believe that the amendment that is before us is one that is worthy of support of all Members of the House. I think that Item 3 needs to have a little more thought, perhaps, put into it because we do not believe that is a situation that should

be allowed to develop, whereby chairpersons of boards will have that type of autonomy and authority within their Boards and not have to have the express authority of the Cabinet behind them when carrying out the function of their Boards in what could be a relatively small subcommittee of their respective Board.

I would like to end off by looking at the numbers as we understand them to be now, and that is some 22,000 work permits. The Immigration Law, 2003 drew a line in the sand and said that is it. The old regime that simply allowed people to stay here forever and ever was not allowed to continue without guidelines that are clear and transparent to people even before they come to these shores. We have already (from 2001) started the process of granting Caymanian status. It is my understanding that since this whole process was started from that first IRT being established until now, there is in excess of 4,000 persons that have been granted Caymanian status, not to mention those who have been granted permanent residency and who, ultimately, will be able to acquire Caymanian status. What we do know is that when the first IRT did its work, there were already 5,000-plus people who were here for over ten years. What we also know is that was another 5,000-plus who were in the seven- to ten-year category and some of them would have been the recipients of the status grants that have been carried out since 2001 and some of them will have already gotten permanent residency.

So this whole issue of doing away with the fixed-term policy and opening the can back up to the position that existed prior to the Immigration Law, 2003, the numbers are potentially even greater than has been alluded to by earlier speakers. We not only have the 22,000 now, but we have the thousands that we transitioned to Caymanian status or permanent residency, thus far.

*[Inaudible interjection]*

**Mr. Rolston M. Agnlin:** No, Madam Speaker, there would not be 22,000 if the 22,000 are current work permit holders. Granted, some PR might still be there without the right to work, but a vast number of them have already moved on.

So when we are talking about transition and we are talking about the change of the social makeup and the Cayman landscape, just in raw numbers and forgetting about the dependants argument, I would venture to say that figure would be around 30,000. There is no way that any rational, reasonable thinking person can expect the legislators of this country to make a conscious decision to change the landscape of this country in that type of dramatic fashion, not to mention that this says nothing to the growth in work permits as the economy continues to expand and grow.

We know of the number of projects that are still to come on-stream that are going to demand even more labour. We know that when the Mandarin starts in East End that is going to be another big demand on labour. We know that as Caymana Bay continues to develop that will increase its demand for labour. We know that when those projects come to fruition there is still ongoing labour needed for those specific places of employment.

It is unfortunate that we do have some employees who, for whatever reason, did not manage to get their affairs in order and apply for permanent residency when they should have. However, Madam Speaker, when we look back at what happened in 2001, 2002, and 2003, and we look at the efforts that the Immigration Review Team and the Chairman of that Review Team, Ms. Sherri Ann Bodden-Cowan, the government and the legislators took—because it was not just she who went to a lot of these Chamber luncheons and spoke on these important topics—immigration was on everybody's mind. It seemed that after 1<sup>st</sup> January 2004 it just fell off the map.

While we all understand the impact that Hurricane Ivan had, at the end of the day (as was mentioned by a previous speaker), no one forgot to pay their employees and no one forgot to pay their health insurance because of the hurricane. While there were challenges, business had to continue. I believe that, ultimately, everybody has to be accountable.

This amendment Bill is giving a reprieve so that persons can have more adequate time to wrap up their affairs. Ultimately, there is that human side of things when you have employed someone for a number of years and you found them to be a good employee, it is God-awful difficult to even muster the effort to go and recruit to replace them. I certainly know how people feel even under the most general abuse—that is the person who has one employee who happens to be their domestic helper. However, ultimately, we have to have a vision of where we want this country to be in ten, 15, 20 years' time and understand how the decisions that we make today impact that future.

I believe now, as I did then, that the Immigration Law, 2003, will probably go down as the single most important piece of legislation that this country has seen for this century. I believe, just as the Minister of Education did then in lauding the former government for having the courage to bring it—and he ultimately supported it—we should give kudos where it is do. Certainly, it is heartening to see that we are going to continue along the lines of the general principles that Law has enshrined within it.

With that brief contribution, Madam Speaker, I thank you for this opportunity and I give this Immigration (Amendment) (No. 2) Bill, 2005, my support.

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



Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Thank you, Madam Speaker.

I promise that my comments, unlike my colleague's, will be brief. I just have two points that I need clarification on before the windup.

Before I do that, I think I need to give a bit of a reality check to some of the newer Members that I have heard debating so far. I guess in an attempt to get a feel good about this Bill, they were saying that they had to support this as wanting to be seen as doing something for the young people, in some cases, their own children that are away at school. I need to remind them that this particular Bill is not the introduction of the fixed-term policy—that came about in 2003.

The intent or direction of this particular Bill, as is clearly stated under the Memorandum of Objects and Reasons **“would amend the Immigration Law, 2003 in order to, among other things, alleviate any short term hardship encountered by employers in the operation of their businesses as a result of the term limit provisions of the Law.”** This particular piece of legislation that they rose in support of is not to help the Caymanian coming back from college or the Caymanian getting the job in college, this particular piece of legislation was to try to soften the hardship being encountered by the employers.

Just before the vote, Madam Speaker, I felt it necessary to make sure they understood what they were voting on because for a period of time it sounded like they were discussing the term limits of the Bill.

*[Inaudible interjections]*

**Mr. Cline A. Glidden, Jr.:** Madam Speaker, my colleague spoke about Item 3, subparagraph (6):

**“6. (1) The Chairman of the Board may appoint committees comprising no fewer than three members of his Board including himself or his deputy and may delegate to such committees any of the functions of his Board save that-**

- (a) he shall, as soon as practicable, notify the Governor of the appointment of any such committee; and**
- (b) either he or his deputy shall be the Chairman of each committee so appointed.”**

My colleague mentioned the difficulty with that. I understood when the question was asked from the other side that there was some discussion as to the rationale behind that and even whether that three-man committee should be appointed by the Governor instead of the Chairman. If the Law has functioned in such a way that those committees and those Boards were appointed by a huge cross-section of the community, I now have a concern as to why we would get down to the point where we could have those Boards,

making such major decisions, like the granting of Cayman status, down to a committee of three people.

Whether it was appointed by Cabinet or whether it was appointed by the Chairman, if the country had a difficulty with Cabinet (say, for example, granting Cayman status), at least there are eight members of Cabinet. What we are seeing here are no fewer than three members of this Board. We could have a committee of only three members that now has the power to grant work permits as well as grant Cayman status or permanent residency.

If my understanding of this amendment is correct, that, in itself, would cause concern for the country. I am not sure if that was the intention of that amendment, that such an important responsibility could now be delegated to only three members, whereas, prior to that, it was only done by a Board.

Madam Speaker, my other question relates to the rationale behind (2G) where it says, **“Subsection (2B) shall remain in force until 31 December, 2006.”** The reason for that concern would be that since we have now reached the time that employers have expressed hardship because of the timing and work permits coming up for final renewals, and we are proposing to give the Chief Immigration Officer a maximum period of nine months, the person that would come along 31<sup>st</sup> December 2006 would already have a nine-month period.

We are now in March. It would be hard for that person to claim that they are having the same hardship come the 31<sup>st</sup> [December]. They obviously would not be able to come and say that they were unprepared. If the person that is now coming in March (assuming the passage of this Bill) applies to the Chief Immigration Officer, the Chief Immigration Officer gives them the nine months (which would conclude at the end of December), and then in December someone can also come back and say they did not have notice or time to prepare and need nine months as well?

It says that subsection (2B)—which gives that power to the Chief Immigration Officer—shall remain in force until 31<sup>st</sup> December 2006. So if at 31<sup>st</sup> December 2006 he still has that power, it means we are assuming that we are going to get a claim for the same hardship they are encountering at this point in time. So, really, the person who starts out now who will be expired sometime close to 31<sup>st</sup> December 2006 is getting a possible 18-month period.

If the permit is now going to be expired on 30<sup>th</sup> December—and maybe someone can explain this to me—and they are going to get a final, on 31<sup>st</sup> December the Chief Immigration Officer (according to this) would have the power (on 31 December) to give them a further nine months. So, they have nine months from today, and then from 31<sup>st</sup> December they have another nine months if so granted.

Those are the two areas of concern that I have, just to make sure that I am clear in my under-

standing of the powers that we are committing to in the amendment to the Immigration Law, 2003.

Thank you.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I crave your indulgence because we would like to complete this matter this evening. If you could allow for a short break because there are a couple of matters we have to confer about with regard to any possible amendments as to the points that have been raised during the debate.

**The Speaker:** Proceedings will be suspended for 15 minutes.

**Proceedings suspended at 6.12 pm**

**Proceedings resumed at 7.17 pm**

**The Speaker:** Proceedings are resumed. Does any other Member wish to speak?

The Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

I rise to support the Bill that is now before the House. Madam Speaker, if you will permit me to introduce a little humour, because the day has been long and the forest is getting dark and deep and we have a little ways to go before we sleep. I shall say to this House, as Henry VIII supposedly said to one of his wives, *I shan't keep you long.*

*[Laughter]*

**The Speaker:** We needed that, Honourable Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

The theme on which I wish to speak in respect to the Bill is the rationale, and I shall give my views as to the rationale for the various clauses that are contained in the Bill.

Clause 1 simply provides the name of the intended Law.

Clause 2 of the Bill would amend section 4 of the principal Law, the principal Law being the Immigration Law, 2003. That amendment would introduce up to an additional three persons on each of the three Boards, and we should ask ourselves why this is being proposed.

The Work Permit Board, in particular, faces a considerable work load, but it has made great inroads and great strides into reducing that workload and that achievement has occurred at a great strain and effort on the existing board members. It is quite common for the Work Permit Board to hold meetings on week-

ends. This has placed a great strain on the existing Board members.

The Work Permit Board, as is the case with the other Boards, consists of eight members of the Board that can vote: the Chairman of the Board, the Deputy Chairman, and six members, one from each of the six electoral districts in the Islands. There are other persons on the board, such as the Chief Immigration Officer, the Director of Employment Services and a secretary, but they are not voting members of the Board.

On a few occasions a meeting of a board is frustrated because of the inability to get a quorum. The rationale for the proposed introduction for three additional persons to each of the Boards is to (a) make it more remote that the meeting cannot proceed because of a lack of quorum; and (b) provide the possibility of Board members being able to essentially take turns working on weekends and, therefore, it will remove some of the strains that the Boards presently face. These two factors help explain why clause 2 currently exists in the Bill.

Clause 3 of the Bill would amend section 6 of the principal Law. Section 6 of the principal Law states that "**The Governor may appoint committees of members of each Board and may delegate to such committee any of the functions of the pertinent Board.**" "Governor," means Governor in Cabinet.

The appointment of the Governor in Cabinet of committees of the Boards is, in many instances, impractical. The Board often needs to take urgent and quick action, and this urgency may be frustrated by any delay in the appointment of the required committee by the Governor in Cabinet. It is much more practical and speedy and efficient if the Chairman of the Boards can appoint any committee their Board requires. This, in essence, is what clause 3 achieves. It will allow the Chairman of the Board, as opposed to the Governor in Cabinet, to appoint committees of the Board.

There is still accountability, Madam Speaker, because the Governor in Cabinet, under clause 3 of the Bill, would still have to be informed of the decision taken by the chairman of the Boards. Moreover, clause 3 also maintains responsibility and seniority because it requires the chairman of the Board or the deputy chairman of a Board to be the chairman of a committee. The rationale, Madam Speaker, for clause 3 is, therefore, one of greater practicality.

It is possible that one of the uses to which clause 3 and the appointment of committees could be put would be the separation of, say, the Work Permit Board into, say, two committees to consider work permit renewals.

Madam Speaker, if we consider, for example (and this is just made up details), if each renewal of a work permit takes a half hour to consider, and if there were 100 applications to be considered by the entire Work Permit Board, it would take obviously 50 hours to consider those 100 applications. However, if the

100 applications were split into just two committees and the committees were given 50 applications each, then the committees (assuming each of those committees worked at the same half-hour-per-application rate) would take 25 hours to complete. So after 25 hours, as opposed to after 50 hours, the entire 100 applications would be reviewed, which, therefore, presents a considerable savings in time. I see that as a possible use of clause 3 in terms of the appointments of committees.

Clause 4 of the Bill would amend section 50 of the principal Law, and section 50 of the principal Law pertains to term limits. If one accepts, which the Government has, and indeed all honourable Members thus far—that there is a genuinely good reason to have term limits, then clause 4 is simply an extension of that acceptance to produce a sensible outcome.

Section 50 of the principal Law states that **“Non-Caymanians and those that do not have permanent residence can reside and work legally in the Islands for a maximum period of seven years.”** If a non-Caymanian reaches that seven years, he or she may not wish to leave. One way of achieving a longer period of time in the Islands is to simply appeal a decision of the Board that the Board was unable to grant or renew a work permit beyond the seven-year period simply because they did not have the legal authority to so grant or so renew.

That appeal process, Madam Speaker, can take some time. It is therefore possible for someone, having reached their seven-year term limit, to simply appeal the decision not to have their permit renewed, and that appeal process can take, say, an additional year. That individual then, combining that year with their initial seven years, would have a total of eight years. Eight years would then entitle the person (under section 29 of the Law) to apply for permanent residence. If permanent residence is granted the person can then proceed to apply for the right to be Caymanian.

Therefore someone who was on the verge of leaving the Islands because of reaching their seven-year term limit could end up with permanent residence and ultimately the right to be Caymanian if they appeal the decision against them. So if one believes that the term limit is a good thing to have, the possibility that I have just outlined would be of major concern.

What clause 4 would do is simply prevent this from occurring. It intends to insert (as subsection (2A) under section 50 of the Law) a provision that states that the period during which a person remains in the Islands while awaiting the result of an appeal shall not count towards any further period of legal and ordinary residence in the Island. Clause 4, Madam Speaker, is therefore a sensible and consistent drafting provision with the position the Government, and, indeed, all honourable Members thus far, have taken and that is that term limits are desirable.

Clause 4 also provides details of a proposed fixed-term work permit. This special permit is meant to

address the concerns voiced by employers that the application and effect of the term limit provisions of the Law would cause them to lose significant numbers of their workforce in a short space of time. The special fixed-term permit is to provide employers with one last opportunity to recruit the necessary replacement employees.

In conclusion, I would argue that this is an eminently sensible Bill and there are precious few grounds for objections to the Bill. All honourable Members have indicated their support for it and I too, Madam Speaker, support the Bill.

Thank you.

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

If no other Member wishes to speak, does the Honourable First Official Member wish to exercise his right of reply?

**Hon. George A. McCarthy:** Madam Speaker, thank you very much.

Madam Speaker, I like to see Bills like this in their passage through the House where there is agreement from both sides. However, as the Honourable Third Official Member just pointed out, this is a Bill that will be of tremendous benefit (I am rephrasing here) for the Islands as a whole.

There are five points that the amending Bill will achieve in addition to those that were set out in my introductory remarks this morning when the second reading was given.

The safe passage of the Bill will minimise the potential for resentment through avoiding displacement of Caymanians in the job market and the community at large. This point, Madam Speaker, was made by the Honourable Minister of Education.

The second point, Madam Speaker, is that the safe passage of the Bill will maintain social harmony and balance by way of ensuring that Caymanians will not be outnumbered as a people. Again, this was a very sage observation made by the Honourable Minister of Education.

The third point will ensure that Caymanians will share in the economic pie by way of exploring entrepreneurial initiatives and by way of upward mobility in their places of employment, hence not being stagnated through having to contend with glass ceilings being put in their way. This point was made by the Second Elected Member for West Bay, the Third Elected Member for Bodden Town and the Fourth Elected Member for George Town.

The Bill, Madam Speaker, will also achieve protection of future job opportunities thus ensuring full employment as our population continues to expand. This point was made by the Second Elected Member for West Bay, and I think everyone in their contributions alluded to this observation.

The fifth point, Madam Speaker, will require that employers become more alert to their human

capital requirements by enhancing their training of Caymanians and by carefully planning and monitoring their expatriate labour-force needs.

I think, Madam Speaker, at the end of the day this is a summary of the main points that have been raised, and I think everyone will agree that this is a very useful piece of legislation. It certainly enhances the provisions of the Immigration Law, 2003, as it now stands.

The Second Elected Member for West Bay also raised concerns in respect of what will be achieved by the amendment that is being introduced to section 6. The concern raised by the Second Elected Member [for West Bay] essentially dealt with the ability of the chairman of a committee to delegate the authority that would have been vested in him to subcommittees, and the decisions of those committees will be essentially dealing with the entire prerogative or matters that would normally be addressed by the committee as a whole. For example, major decisions that should otherwise be taken by the committee could effectively be taken by the Board and such decisions would be binding.

As a result of the intervention by the Second Elected Member [for West Bay] the Government has agreed to an amendment which, in effect, will address the concerns that have been raised. However, in order to have a full grasp of what the amendment is about, I think it would be useful, if you will permit, Madam Speaker (although we have not gotten into Committee as yet), to read the effect of the amendment into the clause itself.

Clause 6(1) reads: “**6. (1) The Chairman of a Board may appoint committees comprising no fewer than three members of his Board including himself or his deputy and may delegate to such committees and of the functions of his Board, save that-**

- (a) **he shall, as soon as practicable, notify the Governor of the appointment of any such committee; and**
- (b) **either he or his deputy shall be the Chairman of each committee so appointed.”**

Madam Speaker, the amendment goes on to read “that the Bill, as amended in clause 3, by deleting subsection (2)” and subsection (2) will now be relegated to subsection (3) “and substitute the following”—and these are the (a) and (b) that I have read out in terms of what shall be done under (a) and (b) as shown in the amending Bill— “Notwithstanding subsection (1) no committee shall be empowered to:

- (a) grant the right to be a Caymanian;
- (b) grant permanent residence;
- (c) grant Residency and Employment Rights Certificates
- (d) issue business staffing plan authorities
- (e) adjudicate appeals from the decision of Immigration offices; or

- (f) designate a worker as an exempted employee.”

Substantive decisions, Madam Speaker, that should be taken by the Board will remain by the Board and will not be delegated to the committees of the Board. I think this, Madam Speaker, address the concerns that were raised.

The earlier amendment that was circulated, Madam Speaker, which attempted to amend section 6(2) of the amending Bill, now reads as follows: “6. (2) The Secretary or the assistant Secretary of the Board shall be the Secretary to each committee so appointed.”

This allows, for example, where a Board meeting is taking place or two committee meetings taking place at the same time, either the secretary or the assistant secretary should be present in order to function as a secretary to the committee.

Thank you, Madam Speaker.

**The Speaker:** The question is that a Bill entitled The Immigration (Amendment) (No. 2) Bill, 2005, be given a second reading.

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

**Ayes.**

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

**Agreed. The Immigration (Amendment) (No. 2) Bill, 2005, given a second reading.**

## COMMITTEE ON BILLS

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

**House in Committee at 7.39 pm**

**The Chairman:** Please be seated. The House is in Committee.

**The Immigration (Amendment) (No. 2) Bill, 2005**

**Clauses 1 and 2**

**The Clerk:** The Immigration (Amendment) (No. 2) Bill, 2005.

|          |                                                                          |
|----------|--------------------------------------------------------------------------|
| Clause 1 | Short title.                                                             |
| Clause 2 | Amendment of section 4 of the Immigration Law 2003 – Immigration Boards. |

**The Chairman:** The question is that Clauses 1 through 2 do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Clauses 1 and 2 passed.**

Clause 3

**The Clerk:** Clause 3 Repeal and substitution of section 6 – Appointment and functions of committees.

**The Chairman:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Chair, in accordance with the provisions of Standing Order 52(1) and (2), I give notice to move the following amendment to the Immigration (Amendment) (No. 2) Bill . . . it should be 2006, Madam Speaker.

*[Inaudible interjection from Member of the House]*

**Hon. George A. McCarthy:** It says 2005.

*[Pause]*

**Hon. George A. McCarthy:** Madam Chair, my apologies, 2005 is correct.

**The Chairman:** Well, we have a problem because these Bills are appearing on the Order Paper as 2006. As the Speaker, I am putting the questions on the Bill as 2006, and here we are at Committee stage saying it is 2005.

I need to be guided, please.

**Hon. Samuel W. Bulgin:** Thank you, Madam Chair.

The fact is that the House is in the final session of the 2005 year, so the Bill carries the designation of the Session rather than the calendar year.

**The Chairman:** Well, then it should carry 2005/6.

**Hon. Samuel W. Bulgin:** No, rather than the calendar year, so the Bill is 2005. As of 27<sup>th</sup> April whatever Bill comes in will be 2006.

**The Chairman:** Honourable Leader of the Opposition.

**Hon. W. McKeever Bush:** Madam Chairman, these are minute but important points they have raised because, although we are in the final sitting of 2005, we are in the 2006 year. Something has to indicate that this was passed in 2006—albeit in the 2005 Sitting. At least we need to indicate that it is 2005/6.

*[Inaudible interjection from Member of the House]*

**Hon. W. McKeever Bush:** I think that to be absolutely clear we need to say 2005/6. However you put it, but indicate that it is. . .

**The Chairman:** Honourable Second Official Member, can you guide me? The numbering of laws in the Cayman Islands is done on a calendar year?

**Hon. Samuel W. Bulgin:** Madam Chair, my understanding of it is that the law takes its designation from the period when it is introduced into the Legislative Assembly. So if it is introduced as part of the 2005 Session, then a Bill is designated as part of a Bill of 2005.

In this case, what we will have is, I think, Immigration (Amendment) (No. 2) Bill, 2005.

**Hon. W. McKeever Bush:** 2006.

**The Chairman:** Since I am not a legal person, I will have to be guided by the ruling of the Attorney General. But I must say that I really think if it is because it is the last session it should be 2005/6.

**Hon. George A. McCarthy:** Shall I continue?

**The Chairman:** The Standing Order says nothing about the numbering of laws. I do not know where the numbering of laws is in which piece of legislation.

*[Pause]*

**The Chairman:** Honourable First Official Member.

**Hon. George A. McCarthy:** Shall I continue, Madam Chair?

**The Chairman:** Yes sir, but I think we need to get our act together. These Bills are either going to appear in the Order Paper the way they are written, that the Speaker, whoever sits here, is not calling for a Bill of 2006, and we are actually dealing with a Bill of 2005. I would ask the Honourable Attorney General if he would be so kind as to do some research and send me something in writing. Thank you.

Honourable First Official Member, I think you need to withdraw the first amendment that was circulated because it is being replaced with a second one.

**Withdrawal of Committee Stage Amendment  
(No.1)**

**Hon. George A. McCarthy:** Madam Speaker, I beg to withdraw the first amendment as was circulated.

**The Chairman:** The question is that the first amendment to the Immigration (Amendment) (No. 2) Bill be withdrawn. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Committee Stage Amendment (No.1) withdrawn**

Clause 5

Amendment of section 53 – Work permit fees.

**The Chairman:** Honourable First Official Member.**Committee Stage Amendment (No.2)****Hon. George A. McCarthy:** Madam Speaker, just for clarity I will start over.

In accordance with the provisions of Standing Order 52(1) and (2) I, the First Official Member, gives notice to move the following amendment to the Immigration (Amendment) (No. 2) Bill, 2005, that the Bill be amended in Clause 3 by deleting section 6(2) and substituting the following: '(2) Notwithstanding subsection (1) no committee shall be empowered to-

- (a) grant the right to be Caymanian;
- (b) grant permanent residence;
- (c) grant Residency and Employment Rights certificate;
- (d) issue Business Staffing Plans authorities;
- (e) adjudicate appeals from the decision of Immigration officers; or
- (f) designate a worker as an exempted employee.'

'(3) The Secretary or assistant Secretary of the Board shall be the Secretary of each committee so appointed.'

Thank you, Madam Chairman.

**The Chairman:** You are asking for Clause 3 to be amended?**Hon. George A. McCarthy:** Yes, Madam Chairman, I ask for Clause 3.**The Chairman:** The question is that the amendment stand part of the clause. All those in favour please say Aye. Those against, No.**Ayes.****The Chairman:** The Ayes have it.**Agreed. Amendment to Clause 3 passed.****The Chairman:** The question is that this clause, as amended, do stand part of the Bill. All those in favour please say Aye. Those against, No.**Ayes.****The Chairman:** The Ayes have it.**Agreed. Clause 3, as amended, passed.****Clauses 4 and 5****The Clerk:**

Clause 4

Amendment of section 50 – Term limits.

**The Chairman:** The question is that Clauses 4 and 5 form part of the Bill. All those in favour please say Aye. Those against, No.**Ayes.****Hon. W. McKeever Bush:** Madam Chair, I would just like for the First Official Member to elaborate on what this particular amendment is doing.**The Chairman:** Honourable First Official Member.*[Inaudible interjection]***Hon. W. McKeever Bush:** Yes, the last one just read.**The Chairman:** The question has been put, but I was at fault by not opening it for debate, since it was a new amendment.

Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Chair, I will just locate my speaking notes.

Madam Chair, as you and honourable Members will recall, I mentioned earlier that this amendment will clarify the remits of the committees that will be formed by each Board in that the full authority of the Board, as such, the range of activities that the Boards will be empowered to adjudicate will not be delegated to the committee in full. It would be much easier if I were to read the substance of the amendment once more.

The provision in the Bill as it now stands, reads: "**6. (1) The Chairman of a Board may appoint committees comprising no fewer than three members of his Board including himself or his deputy and may delegate to such committees any of the functions of his Board, save that-**

- (a) he shall, as soon as practicable, notify the Governor of the appointment of any such committee; and
- (b) either he or his deputy shall be the Chairman of each committee so appointed."

It continues, Madam Chair: "**Notwithstanding subsection (1) no committee shall be empowered to-**

- (a) grant the right to be Caymanian;
- (b) grant permanent residence;
- (c) grant Residence and Employment Rights certificates;
- (d) issue Business Staffing Plan authorities;
- (e) adjudicate appeals from the decision of the Immigration Officer; or
- (f) designate a worker as an exempted employee."

What it does show, Madam Chair, is that the range of activities that will be dealt with by a given committee will be much narrower in scope than the functions that can be dealt with by the full Board. It restricts, as such, the activities of the committees to certain areas, for example, with the Work Permit Board, renewals not original grants, et cetera.

**The Chairman:** Are there any further questions?

Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** The Honourable First Official Member just touched on the point that I was going to inquire about. I thought that one of the areas that, perhaps, would have been off limits, as it were, to these smaller committees would have been the original grant of a work permit versus a renewal.

Now, during his presentation I indicated that point to the Honourable Minister of Education and he pointed out that due to volume that was one of the reasons that was left off the list. This is now, as I understand it, a shift from what exists now. As I understand it, subcommittees of the Board hear renewals not first time grants, as we speak. Even without this amending Bill that is what obtains currently, so this would be a change.

**The Chairman:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Chair, I made an error in the explanation I gave earlier.

The committees will be able to grant first time work permits, but we will have to look in terms of the scope of that activity. Earlier, the Honourable Third Official Member explained what the substance of this amendment would achieve in that the granting of a work permit is not to be regarded as a daunting activity. If we were to compare it, for example, as committee having the right to grant a person, say, the privilege to be a Caymanian, this is quite a substantive action in itself whereby, once the requirements of the work permit applications have been satisfied, then a committee of the Board, which will normally be chaired by either the Chairman or the Deputy Chairman, should be able to exercise reason and judgment as to whether this work permit should be allowed.

So it sets out very clearly, for example, the scope of activities that are *beyond* the committees, as such, and which will have to be carried out by the Board.

For example, the Board must deal with matters in regards to the right to be a Caymanian, the right to obtain permanent residence, the granting of Residency and Employment Rights certificate, the issue of Business Staffing Plan authorities and the ability to adjudicate appeals from decision of the Immigration Officer or designate a worker as an exempted employee. These are activities that will have to be dealt with by the full Board and cannot be adju-

dicated, as such, to a committee that has been formed under a specific Board.

So, Madam Chair, it is a question of judgment prevailing here.

**The Chairman:** Are there any further questions?

The Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Thank you, Madam Chairman.

I see that, initially, the First Official Member similarly thought that they were going to have that right to do work permits. I guess my question will be then, as far as the appointment of the Work Permit Board goes, we will see a reduction in the initial number or size of the appointment of the Board. Now we are saying that at least the work permit board, on duties of initial work permits we are satisfied that a team of three individuals, based on what was just said, is capable of doing that. So there should really be no need for having a cross-section anymore of a composition of around 12 people on the Board if we are satisfied that three can do.

My other concern would be when we make the statement that the Chairman of the Board may appoint committees comprising no fewer than three members of his Board. If he appoints a Board of three, is there a number for the quorum? What happens when the Board is appointed and when it meets there are only two? Could we actually have two members? I do not see any provision or any stipulation that says what size the quorum is. Are we seeing that three is the quorum?

It says that he has to appoint a committee comprising no fewer than three members, but then it does not stipulate what comprises a quorum for that committee.

**Hon. D. Kurt Tibbetts:** Madam Chair...

**The Chairman:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you. Madam Chair, I just want to give a short explanation, and I am certain the Honourable Chief Secretary will not mind.

With regard to the first point that the Third Elected Member from West Bay made with regard to the composition of the Board that the number is decreasing, I will quickly give the background. The reason behind this amendment is to allow for the tremendous backlog to be dealt with—both with renewals and with grants of new applications.

When the new Board took over in May, as I understand it, they were 14 months behind. As of today, and as we speak, they are now seven months behind.

This amendment, in essence, as the Honourable Financial Secretary explained in his King Henry

VIII delivery, will allow for actual committees with a certain level of delegated authority to be meeting on a regular basis. While you have the three additional members to the Board, it would allow for the committees to sort of rotate, which would avoid burning out the membership to the point where they cannot cope with their regular day jobs as well as their commitment to their country as members of a board, and find the time to bring this backlog up to date. It will not necessarily bring about reducing the number of membership.

Now, when it gets to the point where everything is up-to-date, then that is a matter that can be reviewed. However, this initial exercise is to be able to make that physically happen which everybody is complaining about and this is the effort there.

The second point that the Member spoke to, which was quorum, for that committee to be quorate, as I understand it, is not mentioned in the amendment because that committee of three will be that committee of three, and when that committee meets it will be that committee of three. Therefore, if it is two there is no meeting of that committee. In other words, it is not intended for it to be two individuals. As it is now, a quorum is five of the Board.

For instance, bringing it down to three and adding three members will allow for two committees working at certain levels and then what needs to be dealt with by an entire Board being alternated throughout the course of as often as they can meet to bring everything up to date.

**The Chairman:** Are there any further questions? Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Thank you, Madam Chairman, and thanks to the Leader of Government Business for the explanation.

I just need to understand, I guess, if we are satisfied that those duties can be carried out by three members, which goes to my point . . . at least there was a train of thought that felt in the past that something as important as the initial issuing of work permits needed a group. Now, if we got down to a Board comprising of somewhere around 12 members, I assume?

**Hon. D. Kurt Tibbetts:** Madam Chair, I knew I had forgotten something, if the Member would allow me, please.

**The Chairman:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you. The explanation there is, as the Honourable Chief Secretary who is piloting the Bill through has said, a matter of judgment.

The intention in discussions with the chairpersons, especially, but not exclusive, to the Work Permit Board, is . . . for example, there are some types of new applications for work permits which could

be classified as not really technical or with the same level of research, the same level of fact finding and information required to make those grants. Those types will be channeled in that direction as they are sorted when the applications are looked through by staff. This, then, allows, for instance, the committee that is set up by the delegated authority—or the authority by law of the chairperson—to deal with those types of applications while a full Board will be dealing with other types of applications.

First of all, what the Member—and perhaps other Members who are just seeing it—is going through now, we have already gone through. The concerns that are being expressed, we all had those concerns when we started talking them through and we worked through them.

You see, unfortunately it is impossible to legislate every single thing like what I just explained to you. Certainly, there has to be a level of trust given to the chairpersons of those Boards with regards to how they apply themselves and the workings of the Boards. However, the main attempt is to bring the backlog up-to-date in a manner that is sensible, practical and straightforward, and after that, during the review of the Law that is ongoing, all of that will be taken into consideration.

I do not want to say that there is a specific timeline set for this amendment. What I want to say is that the primary and most important reasoning behind this amendment is to bring the backlog up to date.

**The Chairman:** Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Thank you, Madam Chairman. I would like to thank again the Honourable Leader of Government Business.

The only point I was making, if we had gotten down to the place where we felt that there were deliberations that could be made with three members, and we were satisfied that three members were enough, and if it was meant to remove the backlog, my train of thought was to say you could create more committees. Right now what you are doing, if you have a grouping of 12 for the Board, the only thing that limits the amount of committees you could have now is because you specify that it has to be the chairman or his deputy. If that specific requirement was not there you could actually even have more Boards carrying out those functions.

**The Chairman:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Chair, with great respect, while we were prepared to allow the amendments to leave a certain level of authority, we were not prepared to go as far as might be suggested. In conferring with the chairpersons, adding these three members, allowing for at least two committees to be



able to operate at the same time, and in the scheme of things the way the Boards are operating at present, it is the view that within two to three months operating in this fashion they will be able to bring everything up to date. I believe that will make a tremendous difference to what we were dealing with in the very recent past and are still dealing with as we speak.

**The Chairman:** First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Chair.

To the Honourable First Official Member, I wonder if you could enlighten me as to what functions then the Cayman Status Permanent Residency Board and the Business Staffing Plan Board have, save and except renewal of applications, if this amendment goes through as is.

**The Chairman:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Chair, I ask for a moment just to consult with...

**The Chairman:** Sure.

[Pause]

**Hon. D. Kurt Tibbetts:** Madam Chair...

**The Chairman:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** As I understand what the lady Member is asking, I am thinking that when she reads the amendment, the amendment leads her in the direction of saying, *'Okay, I understand exactly what you are saying about the Work Permit Board. But what really changes with the Business Staffing Plan Board and the Status and Permanent Residence Board from the point of view that if they can form committees what then would the committees' functions be, except for renewals?'*

The whole thing is leaning in the direction of the Work Permit Board and their backlog. But, as I said before, we did not want to allow beyond a certain level of authority to go with any membership less than a regular Board. That is why the specific (a) to (f) list is there, which says, "Notwithstanding subsection (1) no committee shall be empowered to-" and then you have (a) (b) (c) (d) (e) (f).

That tells you that with any of the three Boards what any committee that is formed cannot do. Outside of (a) to (f), wherever a committee is formed and that Board is allowed certain functions, then that committee would be able to perform the functions of that Board save (a) to (f). Therefore they will be able to do renewals and variations.

**The Chairman:** First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Chair.

Specifically, if we would refer to the Cayman Status and the Permanent Residency Board, which under the substantive law has the right to grant to be Caymanian, to permanently reside in the Islands and to grant to a spouse of a Caymanian to possess residency. Perhaps in a very limited occasion you have a variation, but certainly not a renewal. I was trying to understand whether you were actually achieving what you wanted to with the amendment with these two particular Boards. I can see with the Work Permit Board, but for the life of me I really cannot see how this would alleviate your backlog to the extent that it was purported to be so doing.

**Hon. D. Kurt Tibbetts:** Madam Chair, they do a fair amount of variations for permanent residency by way of adding spouses and children, changing occupations and that type of thing because it is the Status and Permanent Residency Board. It also deals with the other categories that we have of wealthy retirees with regard to persons under the age of 55 and the other categories in the 2003 Law.

**The Chairman:** First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Chair.

Finally, would it be correct then to conclude that the majority, if not all, of the backlog would be in the area of variations of Permanent Residency?

**The Chairman:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Chair, the majority, if not all of the backlog is with the Work Permit Board. With regard to the Status and Permanent Residence Board there is also a backlog, but that backlog is not so much due to what we are dealing with here, but that is literally to do with the point system, as I understand it, and that is having to be addressed whereby that is being revamped.

**The Chairman:** Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, the hour is dragging on.

I have listened carefully to everything that has been said. It may be getting late, but I got the distinct impression that Government is going to revisit this situation perhaps in the future, when the backlog of work permits is over. Can I ask then why is it that we are amending the Law to put this in and the Govern-

ment simply did not use the current provisions of the Law to allow for the creation of subcommittees, added the new members, and simply allowed for the creation of these committees with a direct mandate as to what they would be able to do?

**Hon. D. Kurt Tibbetts:** With a direct mandate from where?

**Mr. Rolston M. Anglin:** From Cabinet.

**Hon. D. Kurt Tibbetts:** No, thank you.

*[Laughter]*

**An. Hon. Member:** I am not being funny.

**Mr. Rolston M. Anglin:** I know that and it was not funny.

**Hon. D. Kurt Tibbetts:** Madam Chair, what I heard—

**Mr. Rolston M. Anglin:** What I am saying is we are now going to vote and tell them what they are allowed to do.

**Hon. D. Kurt Tibbetts:** Right.  
Madam Chair?

**The Chairman:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Chair, I hear exactly what the Member is saying, and we discussed exactly that and, because we were bringing the other amendments, we decided to go this route rather than directive from Cabinet.

**Mr. Rolston M. Anglin:** So we are passing a Law that perhaps we will repeal at some point.

**Hon. D. Kurt Tibbetts:** That is possible, and we will have to see where it goes. I understand what the Member is saying.

**Mr. Rolston M. Anglin:** Madam Chair, the other problem that I have is we have (a) to (f), we know from the substantive Law that once we start to practice certain things that we did not think would happen just happened and that is the problem. In other words, once you start to practice a provision, we see certain difficulties. We have crafted (a) through (f). Who is to say there should not be a (g)?

I am still struggling with why is it that the other route could not have been taken. Section 6 was in the Law for that for a reason.

**Hon. D. Kurt Tibbetts:** Madam Chair, with the greatest of respect to the Second Elected Member for West Bay, I understand exactly what he is saying.

This was the Government's choice and we will have to put it to the vote now. I can explain it no more and his questions will only leave the same gap that is there in his mind because, obviously, he does not agree with the methodology; but, unfortunately for him, Government does not agree with his.

*[Pause and interjections]*

**The Chairman:** Honourable Members, before we put the question, and the title—

**Hon. W. McKeever Bush:** Before you move there, Madam Chair, if I may.

**The Chairman:** Yes, Honourable Leader of the Opposition.

**Hon. W. McKeever Bush:** The Leader of Government Business has said, and I just want it clear in my mind, that he does not want Cabinet making those sorts of decisions. Well, who is making this one?

**Hon. D. Kurt Tibbetts:** Madam Chair, I said no such thing.

**Hon. W. McKeever Bush:** Well, what did you say then?

**Hon. D. Kurt Tibbetts:** I said it was the Government's choice to go this route.

**Hon. W. McKeever Bush:** No, you said—

**Hon. D. Kurt Tibbetts:** No matter what you say or the Second Elected Member for West Bay says, this is the route the Government has taken, and we shall put it to the vote. That is what I said!

**Hon. W. McKeever Bush:** If I may, Madam Chairman.

**The Chairman:** Honourable Leader of the Opposition.

**Hon. W. McKeever Bush:** The Minister did say, when he was asked by the Second Member for West Bay, he did not want Cabinet to go that route. Well, on whose behalf is this—

**Hon. D. Kurt Tibbetts:** I did not say, Madam Chair, that I did not want Cabinet going that route, I said Cabinet decided that was not the route it was taking. That is what I said, there is a difference.

**Hon. W. McKeever Bush:** Oh, okay.

All right. All I am saying is that the Law contains the provisions—and now you are making another provision—and made in majority by Cabinet. Cabinet has to take those steps first—

**The Chairman:** Honourable Members.

**Hon. W. McKeeva Bush:** —before it can come to this House.

**The Chairman:** Before we go to the question on the title, I do have a problem with this Bill being a 2005 Bill, even though we are in the 2005/6 session. The Interpretation Law in section 19 says, “**When any Law is referred to, it shall be sufficient for all purposes to cite such Law either by the short title (if any) by which it is made citable, or by the year in which it was made...**”.

The definition of “**‘year’ and ‘month’ mean respectively a year or a month reckoned according to the British calendar.**”

What is the British calendar?

Erskine May says even though it is No. 2 it shall become the next year’s bill. What is going to happen, Honourable Second Official Member, this is 2006 Law, because we do it on a calendar year. We have the Notary’s Public (Amendment) (No. 1) Law, and the Succession (Amendment) (No. 2) Law, 2006. Where are we going to put this one in 2005?

**Hon. Samuel W. Bulgin:** Madam Chair, what you have in front of you is a bill, not a law. You have a bill with a short title.

**The Chairman:** However, the short title says, “This Law may be cited as the Immigration (Amendment) (No. 2) Law, 2005.”

**Mrs. Juliana Y. O’Connor-Connolly:** Madam Chair?

**The Chairman:** First Elected Member for Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O’Connor-Connolly:** Can I just ask, since it is so late in the afternoon, are you now withdrawing your request for legal advice seeing that you have now found the answer, Ma’am?

**The Chairman:** No, I was just trying to get it clear that we do not have to come back here at another meeting and put these laws in the correct year. I just want to get it clear.

What is the British calendar year?

**Hon. Samuel W. Bulgin:** I do not know, Madam Chair.

**The Chairman:** Okay.

**Hon. Samuel W. Bulgin:** What I would suggest is that you are guided by the designation of the Bill in front of you for the time being, which is the Immigration (Amendment)(No. 2) Bill, 2005.

**The Chairman:** So when I register it in our list of laws in our book, No. 3 will be the Immigration (Amendment)(No. 2) Law, 2005, Law No. 3 of 2006?

*[Inaudible interjections]*

**The Chairman:** I have to keep a numbering system of all laws that are passed, and right now we have the Notary’s Public (Amendment) Law, 2006 (which is No. 1 of 2006); we have the Succession (Amendment) Law, 2006 (which is No. 2 of 2006). Am I going to put this as No. 3 of 2006, or am I going to put it as Law No. 35 of 2005?

**Hon. Samuel W. Bulgin:** May I just inquire whether you need a clarification for the purpose of the Committee stage amendment, for the Committee?

**The Chairman:** Yes, it should be in the title. I mean, are we going to come back to the next meeting to change all—this is why I am trying to do this, so that we do not have to come back here and say that this should have been 2006.

**Hon. Samuel W. Bulgin:** Right, but what the law provides for, Madam Chair, is that if there is a problem with the title, for example, the date. That is one of the things that the Attorney General’s Chambers can change.

**Hon. D. Kurt Tibbetts:** A typographical error.

**Hon. Samuel W. Bulgin:** If it was a 2005 as opposed to 2006.

**The Chairman:** Okay, but it is not a typographical error.

**Hon. Samuel W. Bulgin:** No, it is not—

**The Chairman:** Okay, let us put the title.

**Hon. V. Arden McLaughlin:** Madam Chairman?

**The Chairman:** Honourable Minister responsible for Communications, Works & Infrastructure.

**Hon. V. Arden McLaughlin:** Madam Chairman, I have been questioning this all this meeting because the Order Paper says this is the Fifth Meeting of the 2005/6 Session. Now, when we prorogue this House in the next few weeks, which Session will it be then?

*[Inaudible interjections by Members of the House]*

**The Chairman:** Go ahead, Madam Clerk.

**The Clerk:** A Bill for a Law to Amend the Immigration Law, 2003; and for Incidental and Connected Purposes.

**The Chairman:** The question is that the Title form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Title passed.**

**The Chairman:** That concludes business in Committee.

The question is that the Bill be reported to the House. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Bill to be reported to the House.**

**House resumed at 8.23 pm**

**The Speaker:** Please be seated.  
Honourable First Official Member.

## REPORTS ON BILLS

### The Immigration (Amendment) (No. 2) Bill, 2005

**Hon. George A. McCarthy:** Madam Speaker, I am to report that the Immigration (Amendment) (No. 2) Bill, 2005/6 was considered by a committee of the whole House and passed with amendments.

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

## THIRD READING

### The Immigration (Amendment) (No. 2) Bill, 2005

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, I beg to move that the Immigration (Amendment) (No.2) Bill, 2005/6 be given a third reading and passed.

**The Speaker:** The question is that a bill shortly entitled the Immigration (Amendment)(No. 2) Bill, 2005, be given a third reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: The Immigration (Amendment) (No. 2) Bill, 2005, given a third reading and passed.**

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

*[Inaudible]*

**The Speaker:** You are totally right, Honourable Leader. We should have had the suspension of Standing Order for the third reading.

### Suspension of Standing Order 47

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I beg to move the suspension of Standing Order 47 in order to hear the third reading of a bill in the same sitting.

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, I beg to move that the Immigration (Amendment)(No. 2) Bill, 2005/6 be given a third reading and passed.

**The Speaker:** The question is that the Immigration (Amendment)(No. 2) Bill, 2005, be given a third reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. The Immigration (Amendment)(No.2) Bill, 2005, given a third reading and passed.**

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

## PERSONAL EXPLANATION

### Matter of my Payments to Cayman Airways Limited (CAL)

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

Madam Speaker, in the matter of my payments to Cayman Airways Limited (CAL), I have in the years past and in the present made payments on an ongoing basis to Cayman Airways as I had an account there for many years. In the period spoken to by the Minister this morning I was very, very busy in Government and to my own detriment did not pay sufficient attention to what was happening with my own affairs, only to have my private business aired in the manner it has been in this House today.

At no time was I requested or told by CAL that my bill was at that amount, nor did I try to get out of paying my bills, nor had a discussion with anyone at Cayman Airways about payment or non-payment of bills.

Before I entered Cabinet, and while in Cabinet, I have paid for and have given away Cayman Airways tickets to many, many people all over this

Island for sickness, student's travel and for various other reasons, and I have paid at all times for my family travel on Cayman Airways—unlike some others that I know.

The vast majority of times that I travelled during my time in Cabinet, my wife travelled with me and we paid for her tickets, the Government did not pay for it whether I was in Brussels, London, or New York on Government Business.

I have checked with CAL today and my account is now in credit over US\$2,000. Therefore, Cayman Airways owes me.

In spite of this question which airs my private business, I will continue to do business with Cayman Airways.

*[The Hon. Speaker ordered that certain words be expunged from the record]*

**The Speaker:** Honourable Leader of the Opposition, that is not included on the personal explanation that was handed to me so, therefore it will be taken out of the record.

## ADJOURNMENT

**The Speaker:** I will entertain a motion for the adjournment of this Honourable House.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker.

Just so that everyone will be aware, I think it is in our interest that we let the public know, there is a delegation going off to Panama tomorrow headed by His Excellency the Governor. Several of the Members will be included in that delegation and they do not return until the weekend. Also, the Youth Parliament will be held next week, Monday and Tuesday, the 13<sup>th</sup> and 14<sup>th</sup> of March.

In order to complete the business of this meeting, I move the adjournment of this honourable Legislative Assembly until Wednesday, 15<sup>th</sup> March, at 10 am.

**The Speaker:** The question is that this honourable House do now adjourn to Wednesday, 15<sup>th</sup> March, at 10 am. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**At 8.33 pm the House stood adjourned until 10 am, Wednesday, 15<sup>th</sup> March 2006.**



**OFFICIAL HANSARD REPORT**  
**WEDNESDAY**  
**15 MARCH 2006**  
**10.22 AM**  
*Fourth Sitting*

**The Speaker:** I call upon the First Elected Member for the district of Cayman Brac and Little Cayman to say Prayers.

**PRAYERS**

**Mrs. Juliana Y. O'Connor-Connolly:** Let us pray.

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

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

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

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

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

Proceedings resumed at 10.24 am

**ADMINISTRATION OF OATHS  
OR AFFIRMATIONS**

**Oath of Allegiance**  
*By Mr. Colin Ross, MBE, JP*

**The Speaker:** Mr. Ross, would you come to the Clerk's table?

**Mr. Colin Ross:** I, Colin Ross, MBE, JP, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, her heirs and successors, according to Law, so help me God.

**The Speaker:** Mr. Ross, we welcome you back as the Acting First Official Member. I would ask that you now take your seat.

**Oath of Allegiance**  
*By Ms. Cheryll M. Richards*

**The Speaker:** Miss Richards, would you please come to the Clerk's table?

**Ms. Cheryll M. Richards:** I, Cheryll Melanie Richards, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, her heirs and successors, according to Law, so help me God.

**The Speaker:** Miss Richards, on behalf of the House, I welcome you back to this Chamber and I would ask that you now take your seat.  
Please be seated.

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

**Apologies**

**The Speaker:** I have received apologies for absence from the Honourable Minister of Education, Training, Employment, Youth, Sports and Culture who is overseas on official business until 17<sup>th</sup> March, and from the Honourable Minister of Tourism, Environment, Investment and Commerce who is off Island on official business.

**PRESENTATION OF PAPERS  
AND OF REPORTS**

**The Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year ended 30<sup>th</sup> June, 2006**

**The Speaker:** Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Speaker, I beg to lay on the Table of this Honourable House the Supplementary Annual Plan and Estimates for the Gov-

ernment of the Cayman Islands for the Financial Year ended 30<sup>th</sup> June, 2006.

**The Speaker:** So ordered.

Does the Honourable Member wish to speak thereto?

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

Madam Speaker, in accordance with Standing Order 67(1) the Supplementary Annual Plan and Estimates, that have just been laid, shall stand referred to Finance Committee. As the Supplementary Annual Plan and Estimates will be considered in Finance Committee, I do not need to say any more at this point except, with your permission Madam Speaker, to move a motion in connection thereto.

Madam Speaker, pursuant to Standing Order 67(2) I beg to move that Finance Committee approves the schedule of supplementary appropriations requested for 2005/06 as shown in section 7 of those estimates that have just been laid on the Table of this Honourable House.

Thank you, Madam Speaker.

**The Speaker:** The motion stands referred to the Finance Committee.

Honourable Leader of Government Business.

**Hon. W. McKeeva Bush:** On a matter of procedure, Madam Speaker.

Firstly, I need to inquire why we are going this route. Even before that, I should inquire whether the matter went to Business Committee. I do not recall . . . and I certainly do not have any papers. If we intend now to go to Finance Committee, if that is what we are saying, then I think the Opposition is left short as to the . . .

Madam Speaker, if somebody could just inform me why we are going this route and . . .

**The Speaker:** Honourable Leader of the Opposition, we are following the Standing Orders, and supplementary, but I am not in a position to answer why the Opposition have not received the Supplementary Annual Plan and Estimates for the Government.

I will ask the Clerk to investigate why the Honourable Leader of the Opposition has not received . . . may I ask if the other Members of the Opposition have received the Supplementary Annual Plan and Estimates? I will ask the Clerk to investigate why this document has not been forwarded to the Opposition.

Have the Members of the Government received the Annual Plan and Estimates?

Honourable Leader of the Opposition, on your point concerning Business Committee, I—

**Hon. W. McKeeva Bush:** Madam Speaker, perhaps on the matter of the document, itself, maybe that is in

the office for me to pick up, I am not sure. I will check. The office is usually good about that.

I am awaiting some kind of answer as to how we proceed without the Business Committee.

**The Speaker:** Well, I cannot answer anything to do with the Business Committee, as I am not involved in that. I am only told when an Order Paper is ready for me to call Parliament into session.

Honourable Leader of Government Business, as Chairman of the Business Committee, could you give an explanation?

**Hon. D. Kurt Tibbetts:** Madam Speaker, when the Business Committee last met I informed the Business Committee that the Honourable Third Official Member would be bringing the Supplementary Annual Plan and Estimates. By procedure I was expecting that the Supplementary AP&E would be passed out to Members and, certainly, that it would have been on the Order Paper today. I am certain that the business paper was prepared. I am reminded that we did discuss it at Business Committee.

**The Speaker:** Honourable Leader of the Opposition and Leader of Government Business, I have been handed by the Deputy Clerk Minutes of the Standing Business Committee for 6<sup>th</sup> March 2006, and it says that the Committee agreed that following today's sitting the House would adjourn until 15<sup>th</sup> March 2006. It would then return and deal with the Supplementary Appropriation July 2005/06 and the Annual Plan and Estimates.

**Hon. W. McKeeva Bush:** Can I see those Minutes, Madam Speaker?

**The Speaker:** Sure, certainly.

**Hon. W. McKeeva Bush:** Madam Speaker, that is what the Minutes say, and I certainly do not remember making any commitment to go the route we are going.

**The Speaker:** Madam Clerk, can we continue, please?

## QUESTIONS TO HONOURABLE MINISTERS/MEMBERS OF THE CABINET

**The Speaker:** Deferred question number 45 stands in the name of the Third Elected Member for West Bay and is addressed to the Honourable Minister responsible for the Ministry of Communications, Works and Infrastructure.

**Question No. 45**



**No. 45: Mr. Cline A. Glidden Jr.** asked the Honourable Minister responsible for the Ministry of Communications, Works and Infrastructure what are the amounts that have been spent on district and national road works in the last eight months, broken down by (a) district; (b) amount spent; (c) type of work completed.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

Madam Speaker, road work in each district in Grand Cayman is funded through a grant to the National Roads Authority for the management and maintenance of public roads which cover regular maintenance, drainage and bush cutting and other minor road works and by the building and rebuilding of roads which are executive assets. Road works in the Sister Islands is carried by the Public Works Department in Cayman Brac and falls under the Ministry of District Administration.

In the 05/06 Budget, a total of CI\$4,600,068 was provided for the management and maintenance, and CI\$9,051,000 for the building of new roads. For the period 1<sup>st</sup> July 2005 to the 23<sup>rd</sup> February 2006, the following amounts have been spent on district and national road works, broken down by a) district; b) amount spent; c) type of work completed.

| <u>Bush Cutting</u> |            |
|---------------------|------------|
| Bodden Town         | \$ 38,100  |
| East End            | \$ 19,800  |
| George Town         | \$ 103,000 |
| North Side          | \$ 16,800  |
| West Bay            | \$ 31,800  |
| Total               | \$ 209,500 |

| <u>Drain Maintenance and Installation</u> |            |
|-------------------------------------------|------------|
| Bodden Town                               | \$ 20,800  |
| East End                                  | \$ 15,900  |
| George Town                               | \$ 211,500 |
| North Side                                | \$ 3,400   |
| West Bay                                  | \$ 37,400  |
| Total                                     | \$ 289,000 |

| <u>Maintenance to Road Services</u> |            |
|-------------------------------------|------------|
| Bodden Town                         | \$ 81,400  |
| East End                            | \$ 26,500  |
| George Town                         | \$ 453,200 |
| North Side                          | \$ 8,700   |
| West Bay                            | \$ 101,100 |
| Total                               | \$ 670,900 |

| <u>Road Construction</u> |            |
|--------------------------|------------|
| Bodden Town              | NIL        |
| East End                 | NIL        |
| George Town              | \$ 255,147 |
| North Side               | NIL        |
| West Bay                 | NIL        |

|       |           |
|-------|-----------|
| Total | \$255,147 |
|-------|-----------|

| <u>Road Reconstruction</u> |             |
|----------------------------|-------------|
| Bodden Town                | \$ 98,065   |
| East End                   | \$ 379,704  |
| George Town                | \$ 670,370  |
| North Side                 | NIL         |
| West Bay                   | NIL         |
| Total                      | \$1,148,139 |

| <u>Road Reconstruction and Resurfacing</u><br>(hurricane related) |             |
|-------------------------------------------------------------------|-------------|
| Bodden Town                                                       | \$ 247,392  |
| East End                                                          | \$1,025,840 |
| George Town                                                       | NIL         |
| North Side                                                        | NIL         |
| West Bay                                                          | NIL         |
| Total                                                             | \$1,273,232 |

| <u>Roundabout Reconstruction</u> |           |
|----------------------------------|-----------|
| Bodden Town                      | NIL       |
| East End                         | NIL       |
| George Town                      | \$613,205 |
| North Side                       | NIL       |
| West Bay                         | NIL       |
| Total                            | \$613,205 |

| <u>Hurricane Resurfacing Hot-Mix Overlay</u> |           |
|----------------------------------------------|-----------|
| Bodden Town                                  | \$ 85,789 |
| East End                                     | \$250,972 |
| George Town                                  | \$ 17,388 |
| North Side                                   | NIL       |
| West Bay                                     | NIL       |
| Total                                        | \$354,149 |

Madam Speaker, the totals in Bodden Town, thus far, we have spent \$571,546; in East End, \$1,718,716; in George Town, \$2,323,810; North Side, \$28,900; West Bay, \$170,300, for a grand total in all the districts of \$4,813,272.

Madam Speaker, it is important to note that the continuation of unfinished Hurricane Ivan repairs carried over from the financial year 04/05 Budget skewed percentages of monies spent in the district of East End and Bodden Town, a total of approximately \$1.27 million was spent on Ivan repairs of three forms:

- 1) major capital expenditure on road resurfacing in areas where the road surface had been eroded by seawater crossing the streets;
- 2) seawall and the shoreline protection in areas where the coastline was made vulnerable to future storm surge and where the road was washed out;
- 3) restoration of surfaces and base work not forming part of a major road upgrade.

### **Supplementaries**

**The Speaker:** Are there any supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Two questions, Madam Speaker, can the Member say out of the \$101,000 which was to maintenance and road surfaces, how much was that on West Bay Road itself, or this is West Bay proper you are talking about? What sort of seawall protection was done in East End?

**The Speaker:** Honourable Minister responsible for Communications, Works & Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, the maintenance to road surfaces in West Bay, the \$101,000, is directly related to immediately following [Hurricane] Wilma, I think, and the rain spell that we had, the number of patching and the likes in the electoral district of West Bay.

The Leader of the Opposition asked about the wall. The wall that was built in East End is at Clander Beach outside of East End proper, just a few hundred yards east of Half Moon Bay. Most of us will remember the beach . . . it is right in the vicinity of where it was proposed to put the dock, the same spot right there.

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

**Hon. W. McKeeva Bush:** Madam Speaker, can the Minister say how much this amounted to?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, I believe there was just around \$400,000 budgeted for that wall. It is not yet completed so, obviously, the monies have not been totally expended. I do not know the exact amount that has been expended thus far.

**The Speaker:** Are there any further supplementaries?  
Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, the amount is small for West Bay, and I know there is a lot of work left to be done. We have done some district tours, but even since then there has been much deterioration. I know there is some work going on now. Can the Minister say whether, in fact, that is going to continue to address those problems?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker. I suspected that my colleagues would be asking me that question, that is why I have come armed for them.

Madam Speaker, there are 19 roads to be fixed in West Bay. As a matter of fact—

**Hon. W. McKeeva Bush:** More than that but, anyway.

..

**Hon. V. Arden McLean:** Well, Madam Speaker, 19 roads that we consider—and I visited West Bay with all four Members of the Opposition and a number of these roads are those that we identified at the time.

I would beg their indulgence if I do not pronounce some of these roads correctly:

**Hon. W. McKeeva Bush:** You can give us the list, that is okay.

**Hon. V. Arden McLean:** There is Garvin Road, Bonnevill Drive, Maliwinas Way, Don Smith Road, Boggy Sand Road, Mary Mollie Hydes Road, Glade Road, Coppice Lane, Up The Hill Road, Elizabeth Street, Duxies Lane, Calamel Drive, Scholars Drive, Courtyard Drive, Canary Lane, Finch Drive, Topsail Street, Araunah Powery Road, Simion Crescent. Those are some of the roads that are being worked on right now, Madam Speaker, in West Bay.

These were all scheduled to be done, and in addition there are some other smaller roads that were not put on this list. What happened was, Madam Speaker, the crew that we do have doing the maintenance got caught up in the Prospect area because of the rains that delayed us there for quite a while but that is now completed. The rains and getting the drains in held us up there for a while, but now that has been completed to the extent that we are going right now, therefore they have moved into West Bay to do the works there.

**The Speaker:** I recognise the First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

Madam Speaker, with reference to the last comment in respect to the roads in Prospect, specifically Marina Drive, I wonder if the Honourable Minister could say how long it took for construction and the actual cost of that road.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, I must apologise or admit that I really do not know the cost at this stage. I do know it took a very long time to do, a little longer than I would have liked it to be before it was completed. However, there were some difficulties that we experienced there. They had to put in drainage and we were trying to ensure that it drained toward a holding basin just up the road. I believe they have successfully graded it to be able to drain in that direction, or I hope so. There were some wells that were to be put in, which is almost completed now, as far as I understand.

However, Madam Speaker, I can give an undertaking to get that information for the honourable Member.

**The Speaker:** Are there any further supplementaries? The First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker, and I wish to express my gratitude for the undertaking and would ask the Honourable Minister if he would be so kind as to give another undertaking to do a site visit to the road and inform this Honourable House as to his satisfaction thereof.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, I will do more than that if I am not totally satisfied (because I have not inspected it since it was completed to a greater extent, I guess) . . . if it is not right we are going to have to do it over, period!

**The Speaker:** Are there any further supplementaries? Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Thank you, Madam Speaker.

Madam Speaker, first of all, I would like to thank the Minister for the detailed response to the question. Just so I can get a clear understanding, in the second paragraph of page one, where it makes reference to \$4.6 million provided for management and maintenance and \$9 million for the building of new roads, and then the total amount that has been spent so far is \$4,800,000. I am just wondering, does that mean we have gone over the budget, basically, for management and maintenance and the remaining funds that we have are for new roads, or was some of that money that was spent actually out of the vote that was for new roads?

Is it fair to then say, if we have \$4.8 million that has been spent so far, that we have a total amount that we could have spent of some \$13.6 million? We have gone \$4.8 million so far? Or have we already spent the \$4.6 million that was provided for management and maintenance and all that is left was actually the amount for the building of new roads?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

Madam Speaker, as I understand it, the \$4.8 that was expended up to, I think it is 23<sup>rd</sup> February, also included road reconstruction which is not part of maintenance, and the hurricane related was not part of maintenance.

**Mr. Cline A. Glidden, Jr.:** Was that part of the vote for new roads?

**Hon. V. Arden McLean:** No, new roads are completely different, Madam Speaker. New roads are the new road that we are doing at the Esterley Tibbetts Highway. For instance, there was \$3 million for that which is separate and apart from the maintenance or the hurricane-related activities.

**The Speaker:** Are there any further supplementaries? Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Thank you, Madam Speaker.

Madam Speaker, the question that I was trying to get to was, out of the \$4.6 million that was originally budgeted for management and maintenance—based on the extensive list of road works that have been waiting in West Bay that are started—if there was \$4.6 million that was originally budgeted, what portion of that is remaining?

Would there still be enough left in the vote for management and maintenance to carry out those works that are outstanding in the district of West Bay?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, I cannot tell the Member that we are going to complete every job in West Bay because we could spend millions of dollars in one year just in one district. However, what I can assure the Member and his colleagues from the district of West Bay is that we are going to address the majority of the roads that are in the poorest state of disrepair, in order of priority.

I can also tell the Member, Madam Speaker, that we have already started making plans for the next year for those roads that we will not be getting now. I already informed this Honourable House that we are doing a paving program commencing in the next fiscal year with the new equipment and the likes.

Madam Speaker, that is one of the reasons we are not going to fix those that we can put up with for the next year, or thereabouts, in order that we do the paving program throughout all the districts which is cheaper. It is a little more expensive, but in the long run it becomes much cheaper for the country to pave them as opposed to trying to rush up now and chip and spray them.

**The Speaker:** Are there any further supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Can the Minister say whether or not the complete costings for all of the works identified during the road visit to West Bay have been completed, and if it has, will it be circulated to the elected representatives for West Bay? Because that has been the normal practice in the past.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, I do not know about the costing, but I can give an undertaking to the Member that we will send him and his colleagues a list of the roads and their time of when they will be repaired. I can give the Member that undertaking.

**The Speaker:** Are there any further supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, we certainly would appreciate that listing, but we would also appreciate if we could get some idea on the costing, because, ultimately, that drives what can be done, and when. In the Minister's list he mentioned a number of smaller roads. Of course, there are some major roads in the district that we did visit that we have plans for, like Hell Road and Watercourse Road, that have not been mentioned. We are certainly concerned about the timing of the work on those roads given the fact that we are approaching another hurricane season.

Can the Minister say, though, what progress is being made on the numerous speed bump requests for the district of West Bay? In fact, that would go for many other districts that I do not see . . . well, it certainly is not clear in the table that has been provided in the answer.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

Madam Speaker, the speed bump program has been extremely delayed, and I have tried to keep up with it to see if we could get it started. It has only recently started because the company which builds these speed bumps was extremely busy and could not accommodate us with the speed bumps. To that end, I have asked that the National Roads Authority (NRA) create their own program and their own abilities to develop their own crew to do these speed bumps as opposed to waiting until the company that builds the speed bumps for us makes themselves available.

Madam Speaker, there are a number of speed bumps that are really needed. It appears to me like the drivers in this country have no respect for themselves, or, more importantly, for children in this country. If it means we are going to have to put speed bumps every hundred feet along the road, then that is what we are going to do. Certainly, the police cannot be everywhere, and if it is necessary that we lay the police down in the road, then that is what we are going to do.

**The Speaker:** I will entertain two further supplementaries. Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker. I presume the Minister meant that he is going to lay the 'sleeping police' in the road and not the police!

Madam Speaker, can the Minister give us an update on what work is being done on the mini roundabout near the Galleria Plaza? It appears as though some work has been started there, but can he give us an update? He knows that was one of the key points during the road visit.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Yes, Madam Speaker, I did mean 'sleeping policemen' as they are commonly referred to, that is, the traffic calming devices.

Madam Speaker, I am a little surprised that the Second Elected Member for West Bay would ask that question, unless he is using the Esterley Tibbetts Highway now and not the main street. However, Madam Speaker, yes, we commenced work on the widening of that road, the little roundabout, to create the additional lane I think it was last week. I do not recall the exact day, but it was last week. It should be finished within a couple of weeks to create the additional turning lane onto the bypass.

**The Speaker:** Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, there were a number of other important initiatives that were discussed that I thought we had agreement upon during the road visit, one of which involves some activity around the West Bay primary playing field. Now, on one side the sidewalks have been installed; however, the remaining works that were discussed have not been done to date. I wonder if the Minister could give us an update on that because that is very important work. It has to do with the safety of the children and the proper functioning of traffic in that area.

**The Speaker:** Honourable Minister for Communications, Works and Infrastructure, that is outside the original question but it is a very important question seeing that it relates to the children if you are in a position to answer.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

Madam Speaker, I think maybe I should apologise to the Members for West Bay for the delay in doing that because I was extremely concerned about it myself when we visited and the Hell Road which we all went on site and discussed the widening thereof. Madam Speaker, what happened was that

because we accelerated the Esterley Tibbetts Highway, the office of the NRA—which is responsible for the realigning of the roads and road engineering—was extremely busy with the other roads and thus this one did not get completed.

I can tell the Members that I recently had a budget session with the NRA and that was one of the roads that I had as a priority. We need to get in there. I have asked them to do the realigning and widening of that road, in particular, the sidewalks that I discussed with those four Members at the time we visited there, particularly around the school and the old playfield for the Town Hall, there needs to be a six-foot wide sidewalk to facilitate the kids walking around there.

I can assure them, early in the next budget session, if I get approval from them then their support when we come here in Finance Committee with the new budget, that road will be completed, Madam Speaker.

#### **Suspension of Standing Order 23(7)**

**The Speaker:** I will ask for a motion to suspend Standing Order 23(7) to allow Question Time to go beyond 11 am.

Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. I so move the suspension of the relevant Standing Order.

**The Speaker:** The question is that Standing Order 23(7) be suspended in order to allow Question Time to go beyond 11 o'clock. All those in favour please say Aye. Those against, No.

**Ayes.**

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

#### **Agreed. Standing Order 23(7) suspended to allow Question Time to go beyond 11 am.**

**The Speaker:** Question number 71 stands in the name of the Third Elected Member for the district of West Bay and is addressed to the Honourable Minister responsible for Communications, Works and Infrastructure.

#### **Question No. 71**

**No. 71: Mr. Cline A. Glidden Jr.** asked the Honourable Minister responsible for Communications, Works and Infrastructure is the Government going to ensure that the customers of Caribbean Utilities Co Ltd (CUC) are compensated for the investment that they have made in the construction of the fibre-optic network that CUC is now leasing to an outside party for multi-media services? If so, how? If not, why?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

The cable installed by Caribbean Utilities Co Ltd (CUC) in North Sound is primarily for the transmission of electricity to West Bay and Rum Point, thereby completing the loop system to maintain high standards of reliability of electricity supply. The installation also includes a fibre-optic cable that is capable of carrying telecommunications.

The Government CUC Negotiating Team is currently in discussions with CUC on the possible issue of new licence to CUC to replace their existing licence to generate and distribute electricity in Grand Cayman. As part of that negotiation process, the subject of sustainable price reduction in CUC's current billing structure is a vital concern to the Government CUC Negotiating Team in reaching any agreement with CUC on any new licences that may be issued.

In February 2002, prior to the formation of the Information Communication Technology Authority (ICTA), CUC entered into an agreement with Cable & Wireless (CI) Ltd to license the use of two dark fibres in that same cable. Income derived from such investment by CUC from the fibre-optic network will be taken into account by the Government CUC Negotiating Team when negotiating price reductions with CUC.

**The Speaker:** Are there any supplementaries? Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Thank you, Madam Speaker. This being a technical matter, I might have to go into a bit of an explanation, but I will turn it into a question as required.

Madam Speaker, during my time as a member of the Negotiating Team with CUC the use of this communications aspect of the cable came into question and CUC, at one point, applied for a licence by the ICTA to allow them to be a provider of infrastructure, meaning that they would be able to use the fibre in this cable to provide data and communications services. Now, at the time CUC applied for the licence they apparently were not aware that if they were granted a licence by the ICTA, as a part of that licence they would be required to pay 6 per cent per annum of the gross profits of the company.

So the ICTA quickly agreed that yes, they would give them a licence but when they became aware that they would have to pay 6 per cent of the gross earnings of CUC, they realised that they did not want a licence after all.

My question now would be whether CUC has been given a licence, or is it a subsidiary company of CUC that has been given a licence?

In the answer provided by the Minister, he made reference that there was an agreement between CUC and Cable & Wireless (CI) Ltd to use that cable

for telecommunications. I need to know if CUC is one of the licence providers for infrastructure like the other telecoms companies, and if that is the case, if the ICTA is receiving the licence fee required. I would hope CUC is not providing those services not being a licence provider.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, I like the end of the Third Elected Member for West Bay's question. He says he hopes they are not providing it without a licence. I wonder if he heard my reply. I said in February 2002. That was during the time of the former government negotiating team and he was chairman of that team, so I would hope that we remember that.

Madam Speaker, CUC did apply for a licence but at the time, as I understand it (this was in 2003), to be able to lease lines to other providers. While the ICT Authority had discussions with them (that is, between CUC and their proposed company Data Link), the discussions were suspended because of the start of the negotiations between Government and CUC with respect to an electricity licence and the impact of Hurricane Ivan.

Madam Speaker, because of the sensitivities of the discussions, which the Third Elected Member for West Bay can appreciate, I would prefer not to go too far into the discussions here today. But, certainly, that is a major concern and a major part of the discussions with CUC, that is, an ICTA licence.

**The Speaker:** Are there any further supplementaries? Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Madam Speaker, I am not really sure why the Minister would refer to the date 2002 because after that he went on to say that that application for a licence was withdrawn. Now, the licence with Data Link—because basically what happened is CUC realised that if they got the licence as CUC they would have had to pay the 6 per cent, so then they created a subsidiary company. Our question and concern at that time was how the transfer of assets was going to take place from CUC to a subsidiary company and so no application at that point in time went through. I hope that the Minister is not trying to imply that the only time licence fees were paid was under the previous administration, or under my time as the chairman of the ICT since it is annual fees—

**The Speaker:** Honourable Member, could you put that into a question?

**Mr. Cline A. Glidden, Jr.:** I will, Ma'am.

**The Speaker:** Thank you.

**Mr. Cline A. Glidden, Jr.:** The Minister does have an obligation, or ICT has an obligation on an annual basis to collect fees. So, the question would be, whether the fees are being collected now since the Minister is saying that the agreement has been entered into and is in place. Besides the agreement with Cable & Wireless (CI) Ltd, since that time I have seen in the press that CUC is also entering into an agreement with another company. So it appears that CUC has become quite a provider of infrastructure and while I appreciate the sensitivity of the negotiations, I do not suspect that an issue as to whether CUC is now, or a subsidiary company, Data Link, is a licenced infrastructure provider by the ICTA should compromise any of the negotiations.

That is the question, Madam Speaker, whether CUC or any of its subsidiary companies is now licenced by the ICTA to provide infrastructure services.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker. I do not know if the Third Elected Member for West Bay did not understand what I said.

Madam Speaker, CUC applied for a licence during the tenure of the Third Elected Member for West Bay as the chairman of that negotiating team. The discussions were suspended because of Hurricane Ivan and the likes. What I said in my answer is that part of this negotiating team's mandate now is to negotiate on behalf of Government on that same basis concerning that fibre-optic cable as well. It will be the decision of Government when and how they will be licensed—the same way the previous negotiating team was going about it, they were going to make a decision as to whether or not they had to receive a licence and how much had to be paid, which was the same 6 per cent under the ICTA law of gross revenue.

Madam Speaker, everyone will be licensed in this country to carry out the works that they wish to carry out.

**The Speaker:** Honourable Minister, I think the Member is asking you if they are licensed now to carry out those works. That is the question he is seeking an answer to, if I may interrupt.

**Hon. V. Arden McLean:** Madam Speaker, that is what I am saying. We are in the process of negotiating with these people under that same negotiating team, the same way the previous negotiating team was carrying it on. They fell down and now we have to start negotiating at base on CUC's licence to generate electricity, and this is part of it.

**The Speaker:** Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Madam Speaker, I guess I need to make this point clear for the Minister. Maybe his negotiating team has a different ambit or role than the previous one.

The negotiating team has nothing to do with the licensing. The licensing is done by the Authority who was given authority by the Governor or government to issue licences. So that law requires that ICTA is the body that does the licensing.

Now, the negotiating team with CUC was obviously negotiating a wide range of issues concerning a new licence, but as far as the licensing of any entity to provide infrastructure fees, there is an existing body called the ICTA (of which the Minister is responsible), if CUC is now currently providing infrastructure services without a licence, then the Minister should have an issue with that, regardless of the fact that there is ongoing negotiations.

The negotiations really have nothing to do with whether an entity is providing infrastructure or not, especially if they are providing and not paying for it—

**The Speaker:** Honourable Member, can we have a question, please?

**Mr. Cline A. Glidden, Jr.:** I am just trying to clarify. I know you asked for a question, but the Minister still has not answered. He said that there are ongoing negotiations so I am just reinforcing that I would still like an answer to the question as to whether CUC is providing infrastructure for telecoms without a licence.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, the ICTA has had an application from CUC from the time that the previous negotiating team was in place. The ICTA has chosen to use its discretion in the matter and allowed the hearing of that licence to be postponed until the negotiations have been completed.

**The Speaker:** First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker,

The last paragraph of the substantive answer, if you will permit me to refer to it so that I can put forward my question, says, "The income derived from such investment by CUC from the fibre-optic network will be . . ." Now, Madam Speaker, to me the operative words in that statement would be "derived from such investment" and "will be".

Can the Honourable Minister then say is this not an acknowledgment of the cognisance that CUC, as of today's date, has an investment for the fibre-optic network? If that is the case, can he explain how that is not in contravention of the existing law and why

a government seeking additional revenue is not seeking to tap such a wonderful source of revenue?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, the revenue derived from CUC fibre-optics is reported in their management accounts, and for April 2005 they reported revenue from fibre-optic as being \$65,859. In effect, it is being offset in CUC's accounts against the cost of electricity.

The First Elected Member for Cayman Brac and Little Cayman asked why we are not tapping into this as a revenue base since we are going to be looking for revenue. Madam Speaker, the Government will be paid in accordance with the current licence that they have which is 5/8 of 1 per cent from CUC of their gross revenue, and at the time there is a licence they will be required to pay the 6 per cent under the ICTA law for any licencees.

**The Speaker:** I will entertain three further supplementaries. Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, it seems there is no licence but the company is doing business. They are collecting fees; they are not paying the people of the Island who paid for the cable. There seems to be a lot of freehand to me since the election.

My question is, other than Cable & Wireless (CI) Ltd, is there another company? And what is the timeframe of the lease, and how much is CUC being paid by Cable & Wireless (CI) Ltd and the other company, if there is one?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure, if you are in a position to answer that question (because I do think it is outside the original question), but the supplementaries and your answers have led to these.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

Madam Speaker, I do not have the information on how much money is being paid by the "other company" as the Leader of the Opposition said, but as I said, in CUC's management accounts for the financial year ending 30<sup>th</sup> April 2005, they recorded \$65,859 as revenue from fibre-optic cable.

**Hon. W. McKeeva Bush:** How much?

**Hon. V. Arden McLean:** [They reported] \$65,859. But I do not have it as to the time, the length of contract, lease of lines or the other revenues.

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

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

Madam Speaker, I would request that this matter be given a fuller statement to this Honourable House by the Minister in regard to all of those things because they are all pertinent and it is important to the people of this country. On my part, I feel that CUC has had too much a free hand since the election, so I would like a full statement and perhaps the Minister can bring out those things that he could not answer, Madam Speaker. Thank you very much.

**The Speaker:** That is left to the Honourable Minister to agree with that request whether he would like to make a statement to this Honourable House.

**Hon. V. Arden McLean:** Madam Speaker, when the time is appropriate I will inform this country—like I have always done—as to the status of the negotiations between Government and CUC.

**The Speaker:** One final supplementary. Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, since the Member is refusing what I have asked . . . he has not been able to answer the question. Therefore, I am asking that that be answered then in writing since he cannot give it to me.

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker. Madam Speaker, I certainly can give the undertaking that I will make every effort to make the necessary information available to the Leader of the Opposition in writing.

**The Speaker:** I think, Honourable Minister, the Leader of the Opposition is requesting that his last question to you (which we can get from the *Hansard*) be answered in writing.

It seems as though there are other Members of the Opposition holding on to their microphones even though I had said I would allow three final supplementaries. I will allow two additional supplementaries.

Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, can the Minister say whether or not this cable that includes a fibre-optic component is part of CUC's rate base? If it is, why is it they are allowed to operate and derive even one cent of revenue from that particular item, and how is it that Government is ensuring that consumers are not adversely impacted by those earnings that CUC is deriving from the fibre-optic element of this cable?

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

Madam Speaker, I only say this from my own experiences in this field. As far as I know, the expenditures to put in the cable would certainly be on a rate base because it is an expense.

With regard to the second part of his question, obviously revenues coming from it, if they are reporting in their management accounts the revenue there from, that means it is being offset against the rate base.

**The Speaker:** One final supplementary. Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden, Jr.:** Madam Speaker, once again I crave your indulgence. I promise that I will turn this into a question.

**The Speaker:** However, do not crave my indulgence for too long. Just make it brief and a question.

**Mr. Cline A. Glidden, Jr.:** Thank you, Madam Speaker.

*[Inaudible comment from the Honourable Leader of the Opposition]*

**Mr. Cline A. Glidden, Jr.:** Madam Speaker, the question that the Minister just asked . . . and he seems to have satisfied himself that it is being offset by the fact that it is being accounted for in the accounts. The concern that we have, and if we go back to the initial question, Is the Government going to ensure that the customers of Caribbean Utilities Company Ltd (CUC) are compensated for the investment that they have made in the construction of the fibre-optic cable? Under their current licence, CUC is allowed to add into the rate base the assets that are purchased or used in the provision of electricity. So this cable was purchased and was included in rate base and the customers of CUC have paid for this cable.

Now, the concern that was a part of the negotiating team's issue was whether or not this should have been included in the rate base since it was providing other things than what was specifically given permission for in their licence—the provision of electricity.

Now we have gone past that, it appears, and CUC has used it for the provision of electricity but is also using it for the provision of infrastructure. Apparently, from what the Minister is saying, without any licences to do so or payment for.

When the Minister makes the point of saying that the country gets 5/8 of 1 per cent, that is 5/8 of 1 per cent in licence fees for the production of electricity. What the country is entitled to is 6 per cent of the



gross revenues of the company that is providing infrastructure fees or infrastructure facilities.

**The Speaker:** Could I have a question now, Honourable Deputy Speaker?

**Mr. Cline A. Glidden, Jr.:** The question is whether, in addition to collecting the 5/8 of 1 per cent, is the country able to look forward to collecting the 6 per cent of CUC's gross revenue, or has this asset now been transferred to another company? If so, how will the people be compensated for the transfer of that asset?

**The Speaker:** Honourable Minister for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Madam Speaker, as I understand it, when CUC installed the trans-North Sound cable in both directions it was put in with the proviso that it would be for the generation and development of electrification in the country, that is, using fibre-optics to do remote controlling of switches and the likes.

Now, Madam Speaker, certainly there were put in there more fibres than are currently needed to do the switching and the remote controlling of the total electrification in the eastern and western end of the Island and, therefore, there are a number of spares.

Now, Madam Speaker, as I said before, they started and they negotiated with Cable & Wireless (CI) Ltd in 2002. Without trying to be tit for tat with the Members of the Opposition, I must say to them, Madam Speaker, they did nothing about it then.

Yes, Madam Speaker, they had ongoing discussions with CUC. I am saying to the Opposition Members—in particular the Third Elected Member for West Bay—that while I have the same goal and objective as they did (I believe at that time was to ensure that whatever revenue is derived from that cable is offset, or part thereof is offset against the generation of electricity with the ultimate goal of assisting with the reduction of electricity in this country) it is still an ongoing process.

*[Inaudible interjection from the Honourable Leader of the Opposition]*

**The Speaker:** Could we stop the cross-talk and allow the Honourable Minister to complete?

**Hon. V. Arden McLean:** Madam Speaker, the Leader of the Opposition knows that the only soul I am afraid of is God Almighty, so he better keep his mouth closed out there.

*[Laughter and inaudible interjection from the Honourable Leader of the Opposition]*

**Hon. V. Arden McLean:** You know, Madam Speaker, the Third Elected Member for West Bay must understand the sensitivities of these discussions.

I want the same thing. I certainly do not think that at the end of the day we should have a company doing two things. We need to ensure that if they are going to use that cable it is under a subsidiary paying the 6 per cent, or whatever the case may be, and the cost is made available or we ensure that the consumer of electricity gets the benefit of having extended those monies from the beginning.

Madam Speaker, maybe if the Third Elected Member for West Bay had done the negotiations then, maybe we would have had what was expected. All of a sudden, the Government of the day is to blame for something that happened in 2002 when there was two and a half years that the previous government had to do the same thing I am trying to do now.

**Hon. W. McKeever Bush:** Nah!

**The Speaker:** That concludes Question Time. The next question appearing on the Order Paper was put in error as the Honourable Leader of Government Business answered this question sometime before.

## STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

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

## ADJOURNMENT

**Hon. D. Kurt Tibbetts:** Thank you. Madam Speaker, in moving to Finance Committee, just for clarification so the House can have a clear understanding, there is another matter that unfortunately cannot wait until the next meeting in April, but it will not be ready until tomorrow, I think, Madam Speaker. The Business Committee will have to meet after we conclude Finance Committee today, and we are going to have to come back into Session. So I just put Members on notice that the Business Committee will meet as soon as Finance Committee is concluded today, and I move the adjournment of this Honourable House until Friday morning at 10 am.

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

**Hon. W. McKeever Bush:** Madam Speaker, am I understanding correctly that the House will adjourn and go into Finance Committee and will not resume until Friday?

**An Hon. Member:** Yes.

**Hon. W. McKeever Bush:** Madam Speaker, what time will Business Committee be meeting; do you know as yet?

After Finance Committee?

There are four questions I have asked which are very pertinent questions, Madam Speaker, and if they are not going to answer them I will ask the House to allow them on to the April meeting. I can wait, Madam Speaker. I am sure the country is interested, but I can wait.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, craving your indulgence, let me quickly advise the Leader of the Opposition . . . I do not know to whom his questions are asked, but the Government, including the Official Arm of Government, has no difficulty in answering questions. I will ensure that once the information is available and the questions can be answered, they will be answered by Friday. If that is impossible, then however he wishes for it to be done, that it carry forward to the next meeting, that is fine too, Madam Speaker, because there is no question about answering his questions.

*[Inaudible comments by Members of the House]*

**The Speaker:** Honourable Members, please.

It is my understanding what we are doing now, we are adjourning, going into Finance Committee and the House will resume on Friday at 10 am. If the Honourable Leader of the Opposition's questions are not on Friday, then he has the opportunity on Friday to ask that his questions be carried over so that they can be answered.

**Hon. W. McKeeva Bush:** I am making that request as of now.

**The Speaker:** The question is that this Honourable House do now adjourn until 10 am on Friday, after the conclusion of Finance Committee. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**At 11.38 am the House stood adjourned until 10 am, Friday, 17 March 2006.**

**OFFICIAL HANSARD REPORT**  
**FRIDAY**  
**17 MARCH 2006**  
**1.53 PM**  
*Fifth Sitting*

**The Speaker:** I will call on the Third Official Member responsible for Finance and Economics to say Prayers.

**PRAYERS**

**Hon. G. Kenneth Jefferson:** Let us pray.

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

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

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

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

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

**Proceedings resumed at 1.55 pm**

**ADMINISTRATION OF OATHS  
OR AFFIRMATIONS**

**Oath of Allegiance**

*By Ms. Cheryl M. Richards*

**The Speaker:** Ms. Richards, could you come to the Clerk's table? Could we all stand?

**Ms. Cheryl M. Richards:** I, Cheryl Melanie Richards, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, her heirs and successors, according to Law, so help me God.

**The Speaker:** Ms. Richards, I welcomed you on Thursday, I think it was. I welcome you again today to the Chambers. You may take your seat.

Please be seated.

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

**Apologies**

**The Speaker:** I have received apologies from the Honourable Second Official Member who is ill, the Honourable Second Elected Member for the district of Cayman Brac and Little Cayman, and the Honourable First Official Member.

**PRESENTATION OF PAPERS  
AND OF REPORTS**

**Report of the Standing Finance Committee on the  
Supplementary Annual Plan and Estimates for the  
Government of the Cayman Islands for the Finan-  
cial Year ending 30 June, 2006**

**The Speaker:** I call on the Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Speaker, I beg to lay on the Table of this honourable House the Report of the Standing Finance Committee on the Supplementary Annual Plan and Estimates for the Government of the Cayman Islands for the Financial Year ending 30 June, 2006.

**The Speaker:** So ordered.

Does the Honourable Member wish to speak thereto?

**Hon. G. Kenneth Jefferson:** Yes, thank you, Madam Speaker.

Finance Committee met on 15<sup>th</sup> March 2006 to consider two matters: the Supplementary Annual Plan and Estimates (SAPE) for the Government of the Cayman Islands for its financial year ending 30<sup>th</sup> June 2006; and a motion that the Committee approve the Schedule of supplementary appropriations requested

for 2005/06 which is shown at section 7 of those Estimates.

That Schedule contained ten items, seven of which requested additional appropriation, while three items involved reductions to existing appropriation. The net effect of these ten items is that there is no overall increase to expenditures planned for the financial year ending 30<sup>th</sup> June 2006.

Madam Speaker, the Committee approved the ten items on the Schedule and it also approved the motion raised in the Legislative Assembly that Finance Committee approve the Schedule of supplementary appropriations requested for 2005/06, as shown in section 7 of the Supplementary Annual Plan and Estimates for 2005/06.

The Committee also met earlier this morning to review the Report that has just been laid. The Committee approved the Report. The Committee also agreed that I report to this Honourable House which I have now completed.

Thank you, Madam Speaker.

#### **Audited Financial Statements 30 June 2004 – Cayman Turtle Farm (1983) Limited**

**The Speaker:** I call on the Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

Honourable Minister.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, I beg to lay on the Table of this honourable House the Audited Financial Statements for the year ending 30<sup>th</sup> June 2004 for the Cayman Turtle Farm (1983) Limited.

Thank you, Madam Speaker.

**The Speaker:** So ordered.

Does the Honourable Minister wish to speak thereto?

**Hon. Charles E. Clifford:** No, thank you, Madam Speaker.

#### **Suspension of Standing Order 23 (6) & (7)**

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

Madam Speaker, I wish to move the suspension of Standing Order 23(6) to allow more than three questions, to appear on the Order Paper, in the name of the same Member.

Madam Speaker, I believe at the same time we also need to move the suspension of Standing Order—

**The Speaker:** I guess so if someone has noticed the clock. Go right ahead, Minister.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

I beg to move the suspension of Standing Orders also to allow the questions to proceed after 11 am.

**The Speaker:** The question is that Standing Order 23(6) be suspended to allow more than three questions to appear on the Order Paper in the name of the same Member, and that Standing Order [23 (7)] be suspended] to allow Question Time to go beyond 11 am.

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

**Ayes.**

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

**Agreed. Standing Order 23 (6) & (7) suspended.**

### **QUESTIONS TO HONOURABLE MINISTERS/MEMBERS OF THE CABINET**

**The Speaker:** Deferred question No. 62 stands in the name of the Third Elected Member for West Bay and is addressed to the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs and the Civil Service.

#### **Question No. 62** *deferred 6<sup>th</sup> March 2006*

**No. 62: Mr. Cline Glidden, Jr.** asked the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs and the Civil Service what is the total number of civil servants in the Cayman Islands, broken down by (a) Caymanian; and (b) Non-Caymanian.

**The Speaker:** Honourable Acting First Official Member.

**Hon. Colin Ross:** Madam Speaker, as of Friday 24<sup>th</sup> February there were 3,346 civil servants. Of these, 2,458 (or 73.5%) were Caymanian and 888 (26.5%) were non Caymanian.

Madam Speaker, with your permission, I intend to table very soon in this Honourable House, a document prepared by the Portfolio of the Civil Service entitled "Employment Information and Personnel Activity Report". This document is produced annually and contains all the information on current civil service employment including, but not limited to, appointments, transfers, dismissals, promotions, gender and nationality.

### Supplementaries

**The Speaker:** Are there any supplementaries? First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

Madam Speaker, to the Honourable Acting First Official Member, I wonder if he would be so kind as to inform the House as to what percentage of the non-Caymanians (that is the 26.5%) make up the managerial positions within the service.

**The Speaker:** Honourable First Official Member, if you are in a position to answer that question I will allow it. If not, you can give it to the Member in writing.

**Hon. Colin Ross:** Madam Speaker, it is an important question. I would prefer not to hazard a guess at it, so I would be quite willing to provide that answer in writing.

**The Speaker:** Are there any further supplementaries? If not, question number 72 stands in the name of The Second Elected Member for West Bay and is addressed to the Honourable Minister responsible for the Ministry of Health and Human Services.

### Question No. 72

**No. 72: Mr. Rolston M. Anglin** asked the Honourable Minister responsible for the Ministry of Health and Human Services how many mental health patients are currently overseas.

**The Speaker:** Honourable Minister responsible for Health.

**Hon. Anthony S. Eden:** Madam Speaker, currently, there are seven mental health patients overseas receiving treatment.

### Supplementaries

**The Speaker:** Are there any supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, could the Minister indicate the trend in terms of numbers of persons overseas over the past, say, two or three years?

**The Speaker:** Honourable Minister responsible for Health.

**Hon. Anthony S. Eden:** Madam Speaker, there has only been one person since January 2005 referred overseas.

**The Speaker:** Are there any further supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker. Madam Speaker, I wonder if the Minister could inform this Honourable House as to where all of these patients are located.

**The Speaker:** Honourable Member, are you asking country or the actual facility?

**Mr. Rolston M. Anglin:** Madam Speaker, if the Minister is in a position to say in what country for each of these patients.

**The Speaker:** Honourable Minister responsible for Health.

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

These patients are in Jamaica at Community Group Homes Limited. If the Member is interested (I would not want to give the names over the air) I could also provide that information.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeever Bush:** Madam Speaker, can the Honourable Minister say what is happening with the plans for the facility here?

**The Speaker:** Honourable Minister of Health, I think that is outside the question that we are discussing. If you are in a position to give that information or give it in writing at a later point I will accept that.

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

When I come to the third question down I have some information that I will share with the House.

**The Speaker:** Are there any further supplementaries? First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

I wonder if the Honourable Minister of Health could indicate whether or not there are any mental health patients on a waiting list for the overseas facilities.

**The Speaker:** Honourable Minister for Health.

**Hon. Anthony S. Eden:** No, Madam Speaker.

**The Speaker:** Are there any further supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, could the Minister indicate whether or not we still have the situation of mental health patients being housed at Northward Prison.

**The Speaker:** Honourable Minister, this refers to mental health patients overseas. If you are in a position to give the answer I will accept that.

**Hon. Anthony S. Eden:** Madam Speaker, thank you. I will also comment briefly on this. The Ministry and the Health Services have been looking at this situation and I will share that with the House shortly.

**The Speaker:** I will allow two further supplementaries. Third Elected Member for the district of West Bay.

**Mr. Cline A. Glidden:** Thank you, Madam Speaker. Madam Speaker, I am wondering, for the benefit of the listening public, whether the Minister could state the process as to how the assessments are made to send someone overseas because we all witness people in the various districts that would appear to us to need some sort of treatment. The Minister made the point as to not having anyone on the waiting list. I wonder if he can explain to us what the process is for those individuals.

**The Speaker:** Honourable Minister of responsible for Health.

**Hon. Anthony S. Eden:** Thank you, Madam Speaker. What normally happens is that the Mental Health Unit works closely with the family. They will be brought into the Mental Health Unit where they will be assisted with whatever procedure or medication needs to be dealt with. If after these certain interventions it does not work, as a last resort the person would be referred overseas. However, we try . . . and we our philosophy is in keeping them as close to the family unit as possible, where possible, unless there is some violence or some other situation then they are sent in a more secure setting.

**The Speaker:** If there are no further supplementaries, question number 73 stands in the name of the Second Elected Member for the West Bay and is addressed to the Honourable Minister responsible for the Ministry of Health and Human Services.

#### Question No. 73

**No. 73: Mr. Rolston M. Anglin** asked the Honourable Minister responsible for the Ministry of Health and Human Services how much money has been spent on mental health patients who are currently overseas.

**The Speaker:** Honourable Minister responsible for Health and Human Services.

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

Between March 1998 and February 2006, US\$701,161.30 had been spent on the seven mental health patients currently receiving treatment overseas.

#### Supplementaries

**The Speaker:** Are there any supplementaries?

**Hon. W. McKeever Bush:** Can we get that in writing?

*[Pause and inaudible interjections]*

**The Speaker:** Are there any supplementaries? If there are no supplementaries, we will move on to the next question standing in the name of the Second Elected Member for West Bay.

#### Question No. 74

**No. 74: Mr. Rolston M. Anglin** asked the Honourable Minister responsible for the Ministry of Health and Human Services how much money has been spent on overseas treatment for mental health patients over the past five years.

**The Speaker:** Honourable Minister responsible for Health.

**Hon. Anthony S. Eden:** Madam Speaker, approximately US\$875,000 has been spent for all mental health patients receiving treatment overseas during the past five years.

Madam Speaker, with your permission, I would like to make those comments that I alluded to earlier on about the mental health.

Madam Speaker, for the past eight years chronically ill patients who need long-term hospitalisation have been sent to community group homes in Jamaica. The cost of this treatment is paid fully by Government as many of these patients cannot afford it.

While these patients' needs are being appropriately met, the ideal arrangement is to provide treatment in local facilities in a therapeutic setting that is close to friends and the family. I wish to inform honourable Members of this House that while the questions asked by the Second Elected Member for West Bay all relate to overseas treatment, locally there exists a comprehensive range of Mental Health services. I must say, Madam Speaker, I would like to thank the Second Elected Member on these questions because this is an area that needs to be looked at very closely, which the Ministry and Health Services is now doing.

I am pleased to announce that a full-time psychiatrist has recently been appointed at the Health Services Authority. Dr. Talal Alrubaie, supported by Dr. Marc Lockhart, a child psychologist, a clinical psychologist, and a team of in-patient and community mental health nurses, currently provide a comprehensive range of services.

Madam Speaker, there are plans to increase the number of community mental health nurses who work from the district clinics on a daily basis. They also see patients at their homes and in establishments, such as the Golden Age Home, to assess plan implement and evaluate care.

Steps are being taken to expand the day treatment program which is currently in place at the George Town Hospital. There are regular meetings between the nurses and probation officers to facilitate the care of persons on probation who have a mental illness. Through this partnership, persons are able to see a mental health nurse and have any necessary treatment that may be required.

Discussions are ongoing between the Police, individuals responsible for the prisons, and the Minister of Health regarding how best to meet the needs of persons who have a mental disorder and who have committed a criminal offence. It is my intention to develop a specialised unit to provide treatment to mentally ill persons who are incarcerated.

Madam Speaker, toward that end, about two and a half weeks ago the medical director, the chief executive officer, Dr. Lockhart, and I visited an area in the existing Fairbanks building where the Cubans have been housed. We identified a possible location there that will take some repairing, but we feel there is an area there that could be helpful to take these people from out of Northward where, as far as I am concerned, they should not be.

Madam Speaker, the Minister of Health and Human Services is committed to ensuring there are adequate mental health services and facilities to meet the needs of the people of the Cayman Islands. I would like to just briefly mention some of the local services.

The staff of the Mental Health Department, soon to be renamed the Department of Psychiatry and Behavioural Health, continues to work diligently to meet the needs of mental health patients. With the cooperation of families and other government agencies, the Department can sometimes avoid having to send patients overseas for treatment, as I alluded to earlier. Today most modern treatments are conducted on an outpatient basis, with patients remaining in their communities. The people of the Cayman Islands have access to outpatient mental health services at the George Town Hospital and all district clinics including those in Cayman Brac and Little Cayman.

These clinical care services cater to the needs of children, adults and/or senior citizens. The services include psychiatric evaluation, psychological assessments, follow-up care, nursing and follow-up counselling. Provision has also been made for in-patient services. The recently built Mental Health In-Patient Unit set within the grounds of the George Town Hospital is a purpose-built, eight-bed facility. This unit caters to the needs of individuals who require short-term stabilisation of an acute mental illness and also for persons needing substance detoxification. There is also a day

treatment program run by an occupational therapist which has been started recently. This program is an alternative to in-patient service for people who do not really need 24-hour hospitalization, but would benefit from daily monitoring.

Recognising that the need for treatment can occur at any time, there is 24-hour access to mental health professionals. Through the psychiatrists the in-patient unit and the on-call community mental health nurse. Persons that need emergency care should, however, report to the Accident and Emergency Department for an evaluation. If necessary, a mental health professional will be contacted.

Thank you, Madam Speaker, for allowing me to expand on this question.

**The Speaker:** Honourable Minister, not to bring the seat of the Speaker into disrepute, can you have that photocopied and handed to Members in case there are questions to be asked since you have brought it into the answer to your question? One more delay will not bother us today. Thank you.

[Pause]

#### Supplementaries

**The Speaker:** We will take the supplementaries on the entire thing.

[Pause]

**The Speaker:** Serjeant, would you please hand out—to the Opposition particularly—the statement made by the Minister? and then to the Government. Thank you.

I would ask Members to refrain cross-talk about the position of the Speaker, okay?

Are there any supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, in the substantive answer, over the past five years US\$875,000 has been spent on treating patients overseas. Could the Minister say how, in his future plans—I presume that they have developed some costing as to what providing such services would be on Island—this compares to being able to provide this type of service on Island apart from the capital development of building the facility for operating such a facility how would this compare?

**The Speaker:** Honourable Minister, if you are in a position to answer this and give comparisons I will accept it. Honourable Minister responsible for Health.

**Hon. Anthony S. Eden:** Thank you, Madam Speaker. We have not gone into that specific depth yet. More than likely, knowing the operations in Cayman, it would be a bit more expensive for that operational part, but the outside benefit would then be having those family members close to home.

**The Speaker:** Are there any further supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker. Madam Speaker, can the Minister say that in his view of ultimately where mental health services should get to for the country is being in a position to treat all of our patients at home? Is that going to be the ultimate goal?

**The Speaker:** Honourable Second Elected Member for the district of West Bay, you are way outside the original question, but if the Honourable Minister is in a position, and cares to give the answer, I will accept it.

**Hon. Anthony S. Eden:** Thank you, Madam Speaker. Yes, that would certainly be our ultimate goal.

**The Speaker:** Are there any further supplementaries? Are there any further supplementaries? If there are no further—

*[Inaudible interjection by Honourable Leader of the Opposition]*

**The Speaker:** Honourable Leader of the Opposition, I am not sitting in this chair today to get in arguments. Stand up and then if you want to talk to the Second Elected—I know you are getting to your feet to ask a supplementary. Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, I know you feel bad today, but please do not—

**The Speaker:** I do not feel bad, Honourable Leader—

**Hon. W. McKeeva Bush:** Well, I know what your problem is, but you need to give me time to talk to my colleague. I just got this in my hand. It is a big paper.

**The Speaker:** If you had a little bit of respect for this Chair—

**Hon. W. McKeeva Bush:** I have plenty of respect for the Chair.

**The Speaker:** Even if you do not have any for the person sitting in it, the proceedings in this Parliament would continue at a much better rate.

Honourable Leader of the Opposition, ask your supplementary question, please.

**Hon. W. McKeeva Bush:** Madam Speaker, I just got this paper in my hand and you just allowed us and I was discussing with my colleague. I want to say to you that I have plenty of respect for the Chair, and I have respect for the person in the Chair, but the Chair needs to—

**The Speaker:** Would you ask your supplementary question, please?

**Hon. W. McKeeva Bush:** Madam Speaker, you know, I really feel that my time is being curtailed here.

**The Speaker:** That is because you are allowing it to be curtailed—

**Hon. W. McKeeva Bush:** Because I know what you area doing!

**The Speaker:** Honourable Leader of the Opposition, if you have a supplementary question, ask it, okay?

**Hon. W. McKeeva Bush:** Yes, Madam Speaker, I have one—and not anything you say will stop me from asking it, thank you.

**The Speaker:** It is a good thing you like to talk.

**Hon. W. McKeeva Bush:** Madam Speaker, I would like to ask the Minister of Health in regard to the local unit how many persons are in that unit.

**The Speaker:** Honourable Minister responsible for Health.

**Hon. Anthony S. Eden:** Thank you, Madam Speaker. The occupancy of that unit fluctuates. At present there are two people in the unit, but it can hold up to eight.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, in regard to the use of the unit, can the Minister say whether this is on a regular basis and how long do these patients stay? Over the last two years, if you have that information at hand, can you say how many have been using the local unit?

**The Speaker:** Honourable Minister responsible for Health.

**Hon. Anthony S. Eden:** Over the past three years there have been about 300 admissions, but one of the problems . . . during Hurricane Ivan it was closed, I think for about two or three months.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** With much trepidation, Madam Speaker, can the Minister say whether the program will deal with those mental patients that we know are walking the streets?



**The Speaker:** Honourable Minister responsible for Health.

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

The situation (as has been explained to me) with those walking the streets can be what is known as “dual diagnosis”. Some of these have substance abuse problems. In recent times the unit has been trying to work closer with the families to identify issues, and between that, bringing Human Services and the Counseling Centre together, which is so important, to determine by assessment—whether it is by the psychiatrist or the psychologist—how far it would need to go and if they would need to spend time in that inpatient unit, whether it is a mental health thing or it is something triggered by substance abuse.

**The Speaker:** I will allow three further supplementaries. Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Can the Minister say, Madam Speaker, whether there is a service, or is it part of the service, for those who run the unit or the service to go out into the communities to deal with these persons that we are talking about—I do not know how you want to categorise them—or do you wait until a family member notifies you, or is it something that can be done compulsory? How is it being done?

**The Speaker:** Honourable Minister responsible for Health?

**Hon. Anthony S. Eden:** These are identified mainly, Madam Speaker, by the community nurses, family and also the Police. As some of us are now aware, there are certain areas in the Mental Health Law as to how these can also be dealt with.

**The Speaker:** Are there any further supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, can the Minister say whether or not there are any amendments he is going to propose to that Law to deal with such persons? As he knows, there is a case that I and other Members for West Bay have spoken to him about and there have been great problems because apparently the individual is asked whether he is okay and he wants treatment and he simply says no. So is the Minister going to seek to remedy those types of situations in the Law so as to allow family members and/or the State to have more control in those instances?

**The Speaker:** Honourable Minister responsible for Health.

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

I am informed that there was a consultant that came a couple of years ago that has brought a draft paper that we will be giving consideration to in amending the Law where necessary.

**The Speaker:** Final supplementary. Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, can the Minister say whether or not he feels as though this matter needs to be dealt with urgently due to the fact that a number of these patients from our district actually do travel Seven Mile Beach Road regularly and come in very close proximity to many of our visitors and tourists. There is seemingly an accident waiting to happen and I would hate for us to be reactionary on this front and not deal with some of these problems before a bad occurrence actually takes place.

**The Speaker:** Honourable Minister responsible for Health.

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

Yes, I do share the concern of the Second Elected Member for West Bay. The Mental Health Law (1997 Revision) in sections 3,1,2 and then sections 4 and 5 details those that can make that report and actually commit—especially if it is a family member, where they would go before the Court and have the right to do that.

**The Speaker:** Next question.

*[Pause]*

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, craving your indulgence I would beg the leave of the House if we could move Question No. 77 forward as the Honourable Third Elected Member for Boddin Town has to leave early. He would like to get the question asked rather than for it to be deferred.

**The Speaker:** The question is that Question No. 77 standing in the name of the Third Elected Member be moved forward. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Question No. 77 moved forward.**

**The Speaker:** Question number 77 stands in name of the Third Elected Member for Boddin Town and is addressed to the Honourable First Official Member

responsible for the Portfolio of Internal and External Affairs and the Civil Service.

### Question No. 77

**No. 77: Mr. Osbourne V. Bodden** asked the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs and the Civil Service if the Honourable Member has had representation on administrative issues within the Cayman Islands Fire Service and if so, what is being done to alleviate these concerns.

**The Speaker:** Honourable First Official Member.

**Hon. Colin Ross:** Yes, Madam Speaker, The Portfolio of Internal and External Affairs is aware of administrative issues within the Cayman Islands Fire Service and is seeking to address these. A paper to Cabinet has been prepared which will propose the restructuring of the Fire Department. It is also anticipated that a Human Resources Manager will be appointed so that the many personnel concerns that arise in any organisation can be addressed in a timely and people-focused manner so that our valued firemen do not feel that their concerns are being ignored.

Finally, Madam Speaker, following the retirement of the current Chief Fire Officer, the post of Chief Fire Officer will be advertised in the near future and after interviews are held, a new Chief Fire Officer will be appointed.

### Supplementaries

**The Speaker:** Are there any supplementaries? Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker.

Could the Honourable Member state if anything is being done to address the issue of what is considered low pay, in particular, in relation to other comparative services?

**The Speaker:** Honourable First Official Member.

**Hon. Colin Ross:** Madam Speaker, one of the concerns that firemen have expressed to me is the fact that their fellow officers in the Royal Cayman Islands Police Service (RCIP) were awarded a housing allowance increase and they, the firemen, were not. They feel quite bad about that.

When we have a salary review of the civil service, which is due later this year, I intend to ask the consultants to look at the Fire Service and all the uniformed branches and consider whether we need to revise their salary scales and, indeed, have separate salary scales, perhaps for the uniformed branches.

**The Speaker:** Are there any further supplementaries? First Elected Member for the district of Cayman Brac and Little Cayman.

**Ms. Juliana O'Connor-Connolly:** Thank you, Madam Speaker.

Madam Speaker, to the Honourable First Official Member, I wonder whether he would be in a position to say whether or not the administrative issues, when he refers to the Cayman Islands Fire Services, involved all of the Fire Services or is it the Fire Service in Grand Cayman only.

**The Speaker:** Honourable Acting First Official Member.

**Hon. Colin Ross:** Madam Speaker, I think it would be fair to say from my perspective—and the Honourable Member may be in a better position than I am to answer this one, really—that there are concerns amongst the Fire Service personnel in Cayman Brac and Little Cayman as well.

**The Speaker:** Are there any further supplementaries? First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

I wonder if the Honourable Member could indicate whether there is a timeline for the addressing of any administrative problems on the Brac if, in fact, there are any, seeing that it is such a small unit and it could have a much more negative or positive impact if resolved earlier rather than later.

**The Speaker:** Honourable Acting First Official Member.

**Hon. Colin Ross:** Madam Speaker, it is difficult to give a figure in times or terms of days and weeks and months, but personally I think the issues that we have need to be addressed as a whole throughout the whole Fire Service rather than in a piece-meal manner, although I respect what the Honourable Lady Member is saying. However, I think once we recognise—as we have—that we have issues, then we need to address them across the board.

**The Speaker:** Are there any further supplementaries? Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker.

I wonder if the Honourable Member could say whether or not the salary increases at the Fire Department were ever looked at in the past on an individual basis as a department, or whether it has only been looked at as part of the civil service overall.

**The Speaker:** Honourable Acting First Official Member.

**Hon. Colin Ross:** Madam Speaker, to the best of my knowledge the Fire Service has never had a review of its salaries apart from the rest of the civil service. They were part of a major review of civil service salaries that took place in the 90s. I cannot remember any other occasion in which the Fire Service received a salary review on its own.

**The Speaker:** Are there any further supplementaries?  
Second Elected Member for the district of West Bay. Or, did the Honourable Fourth Elected Member have a follow up on his supplementary? Or is it a new point?

Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker.  
I wonder if the Honourable Member could say whether or not firemen earn overtime, and, if not, when it was discontinued.

**The Speaker:** Honourable Acting First Official Member, that is outside the original question, but if it is a matter of administrative issues you may answer or provide the Member with that information in writing.

**Hon. Colin Ross:** Madam Speaker, it is actually part of a tapestry of issues that the firemen have right now. I am not really able to go into it, I regret to say, in great detail. It is one of the issues that we have to address going forward and we are very well aware that we need to address it. Unfortunately, a review of General Orders that was carried out—and I am responsible for it—last May created an anomaly which has irritated the firemen considerably, and it is something that has come back to haunt me. I have to work hard to try and address it in the weeks ahead.

**The Speaker:** Are there any further supplementaries?  
Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.  
Madam Speaker, a motion was moved and passed in this Honourable House sometime ago in regard to when firemen fully vest. I wonder if the Honourable Member could say what stage that is at.

**The Speaker:** Honourable Acting First Official Member.

**Hon. Colin Ross:** Yes, Madam Speaker, I recall I think it was a Private Members' Motion that was introduced and passed to that effect. I am not aware of any further action having been taken on that issue.

**The Speaker:** Are there any further supplementaries?  
Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker. Can the Honourable Member say when this study will be completed?

**The Speaker:** Honourable Acting First Official Member.

**Hon. Colin Ross:** Madam Speaker, if the Honourable Leader of the Opposition means the salary review of the civil service, the point we are at right now is we put it out to tender and we have received bids and we will be next week evaluating the bids from consultants and moving the process on from there. As of next week, I will have more time as the Chief Secretary returns to his substantive position, and I intend to advance the whole issue of the salary reviews as speedily as I can, Madam Speaker.

**The Speaker:** Are there any further supplementaries?  
Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** In regard to the Human Resource manager, can the Honourable Member say when that will take place, when he or she will be hired?

**The Speaker:** Honourable Acting First Official Member.

**Hon. Colin Ross:** Again, it is difficult to put a timeline on it, Madam Speaker. I intend to talk to the Chief Officer, Mr. Ebanks, about it again next week. However, I am absolutely certain that many of the concerns that the firemen have would be resolved if a properly qualified human resource manager was there on the spot to take personnel decisions and carry them out in a timely manner.

**The Speaker:** I will allow three further supplementaries.  
Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker.  
I wonder whether the Honourable Member could say, in light of the fact that there are a lot of grievances with the Fire Department, whether any senior civil servants have made any attempt to talk to them to try to get them to understand that the matter is being worked on.

**The Speaker:** Honourable Acting First Official Member.

**Hon. Colin Ross:** Yes, Madam Speaker. The Honourable Chief Secretary has given them that assurance, but, in fairness, I think we are all human. When we have an issue we want it addressed immediately, and it is difficult to see that these things do not get resolved in 24 hours. So I have some sympathy with

the firemen, but it has been communicated to them that the Portfolio is aware of their concerns.

**The Speaker:** First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

To the Honourable First Official Member, as it relates to the motion that was asking for the pensions of the firemen to be vested at an earlier time, he said no further action had been taken. I wonder if the Member could say: 1) whether any action had been taken; 2) if not, whether it is the intention now of the administrative arm to put it back on the front burner for firemen.

**The Speaker:** Honourable Acting First Official Member.

**Hon. Colin Ross:** Yes, Madam Speaker, now that it has been raised in this Honourable House I will have to take the matter up with the Honourable Chief Secretary and the Head of the Civil Service and review the whole issue and see what needs to be done with it.

**The Speaker:** Are there any further supplementaries? Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker.

Madam Speaker, the Fire Service has been one of our flagship departments in the Cayman Islands, one I think it is fair to say that over the years has been run very well and has employed many Caymanians—in fact, predominantly Caymanian. I think by the number of questions asked and the nature of the questions that we have heard so far we can tell that a lot of us have had representations concerning many issues there, and that is why I am glad that you have allowed this number of questions.

Madam Speaker, it is a well-known fact that there is an issue with the leadership of the Fire Service as of today's date, and I am just wondering if the Honourable Member can say what is being done to address that major concern.

**The Speaker:** Honourable Third Elected Member for the district of Bodden Town, I think in the answer to the question they say, "... following the retirement of the current Chief Fire Officer, the post of Chief Fire Officer will be advertised in the near future..."

Honourable Acting First Official Member, can you elaborate on that?

**Hon. W. McKeeva Bush:** No. No elaboration.

**Hon. Colin Ross:** Madam Speaker, the Fire Service for a considerable number of years has been run by a

highly respected, charismatic civil servant. I have noticed over my years in the civil service that any time someone in that position moves on there is always a vacuum of sorts that is left until a new person is hired to take over.

As I said in the substantive answer, we will shortly be advertising the position of Chief Fire Officer, and, following that, a short list will be drawn up, interviews held and an appointment made. I hope that will take place within the next month or so.

**The Speaker:** We move on to the next question, number 75, standing in the name of the Second Elected Member for West Bay and addressed to the Honourable Minister responsible for the Ministry of Health and Human Services.

### Question No. 75

**No. 75: Mr. Rolston M. Anglin** asked the Honourable Minister responsible for the Ministry of Health and Human Services how long has each mental health patient currently overseas been gone for treatment.

**The Speaker:** Honourable Minister responsible for Health.

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

Madam Speaker, the time spent abroad by the seven mental health patients who are receiving treatment overseas is as follows:

|             |                   |
|-------------|-------------------|
| Patient # 1 | 7 years 11 months |
| Patient # 2 | 6 years 5 months  |
| Patient # 3 | 6 years           |
| Patient # 4 | 3 years 5 months  |
| Patient # 5 | 2 years 5 months  |
| Patient # 6 | 1 year            |
| Patient # 7 | 10 months         |

### Supplementaries

**The Speaker:** Are there any supplementaries?

Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, these statistics really speak for themselves. Could the Minister say (following on from this answer and, certainly, some of the answers he gave previously) what is going to be his timeline with trying to ensure that we can treat our mental health patients at home? Madam Speaker, seven years and 11 months, eight years, is a long time for someone to be sent to another country to be treated for their condition.

**The Speaker:** Honourable Minister responsible for Health.

**Hon. Anthony S. Eden:** Thank you, Madam Speaker, and I do share the concern of the Second Elected Member for West Bay; this is why we want to expedite this.

Just for Parliament's information, some of these individuals require a very high level of supervision, some a high level, and some a medium level which, my understanding is, at this time we do not have the facilities here to have them secure—padded rooms and that kind of stuff which will require. . . However, it is a priority of the Government.

**The Speaker:** Are there any further supplementaries? If there are no further supplementaries, we will move on to the next question, number 76, standing in the name of the Second Elected Member for West Bay and is addressed to the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs.

### Question No. 76

**No. 76: Mr. Rolston M. Anglin** asked the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs and the Civil Service what is the personnel movement within the Cayman Islands Government since 1 June 2005 by Ministry, Department, Agency and Portfolio (i.e. hiring, firing, transfers and retirement).

Madam Speaker, I crave your indulgence because the Honourable First Official Member did communicate with me in regard to this question and we agreed that the answer was going to be much more restrictive than the question asked, simply because the information would have been too difficult to encapsulate in a simple answer, and will be provided in the personnel report he mentioned in his prior response to the question asked by the Third Elected Member for West Bay.

**The Speaker:** Honourable Acting First Official Member.

**Hon. Colin Ross:** Madam Speaker, before giving the answer, I would like to thank the Honourable Member for the reasonableness of his approach to my difficulties in providing a very complex answer, as it becomes when you talk about every single movement of every single civil servant within the service.

Madam Speaker, the number of employees within the Civil Service has decreased over the last five years from 4,034 in 2001 to 3,346 as of 24<sup>th</sup> February 2006. This is largely due to the creation of Statutory Authorities, such as the Health Service Authority, National Roads Authority and Maritime Authority.

Madam Speaker, in 2005, 562 new employees joined the Civil Service. These can be broken down as follows:

|                          |     |
|--------------------------|-----|
| Group Employees          | 267 |
| Local Contract Employees | 70  |

|                              |           |
|------------------------------|-----------|
| Overseas Contract Employees  | 105       |
| Permanent Employees          | 95        |
| Temporary Contract Employees | <u>25</u> |
|                              | 562       |

Madam Speaker, during 2005, 398 employees left the Civil Service for the reasons listed below:

|                                   |     |
|-----------------------------------|-----|
| Resignation                       | 171 |
| Contract ending/Termination       | 136 |
| Retirement                        | 34  |
| Transfer to Statutory Authorities | 28  |
| Dismissal                         | 17  |
| Termination                       | 7   |
| Deceased                          | 3   |
| Retired on Disability Grounds     | 2   |

Madam Speaker, during 2005, 47 employees were granted promotions as a result of recommendations by the Public Service Commission. Out of those 47 promoted, 45 were Caymanian.

Madam Speaker, in discussing this question with the Honourable Member responsible for it, he asked if I could provide figures for staff movements into and out of the actual Ministry and Portfolio offices. I am happy to do this, Madam Speaker, and a [list](#) is attached to this answer.<sup>1</sup>

### Supplementaries

**The Speaker:** Are there any supplementaries? First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

I wonder if the Honourable First Official Member could say whether or not, out of the local contract employees (being 70) these are new contractual employees or whether they are civil servants who have retired and have been subsequently rehired.

**The Speaker:** Honourable Acting First Official Member.

**Hon. Colin Ross:** Madam Speaker, although I do not have the exact figures, a significant number are rehired civil servants who have been rehired on local contract. Some would also be the spouses of overseas contracted officers who are hired on local contracts and others are non-Caymanians who are on-Island and they are hired on-Island on local contracts.

**The Speaker:** Are there any further supplementaries? First Elected Member for the district of Cayman Brac and Little Cayman.

<sup>1</sup> Please see appendix to PQ #76 on page 688

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

I wonder if the Honourable First Official Member could, if he is in a position to now, or at a later stage, provide the number of local contract employees on Cayman Brac and Little Cayman.

**The Speaker:** Honourable Acting First Official Member.

**Hon. Colin Ross:** Madam Speaker, I would not be able to do that now, but I would certainly be happy to provide that information to the Lady Member in writing if that is okay.

**The Speaker:** Are there any further supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, in the table provided by the Honourable Member, I wonder if he could tell this Honourable House under "Leaving" and "Joining" what is the meaning of the term "Other"? Are those transfers?

**The Speaker:** Honourable Acting First Official Member.

**Hon. Colin Ross:** Madam Speaker, that term covers such things as transfers to statutory authorities or to other departments within the Ministry, and indeed, to other ministries and portfolios following a reassignment of responsibilities following an election.

*[Inaudible interjection by Member of the House]*

**Hon. Colin Ross:** Yes, the word "transfer" would cover that.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Can the Honourable Member say in what areas the new recruitments in the Ministry of Tourism were?

**The Speaker:** Honourable Acting First Official Member.

**Hon. Colin Ross:** I cannot remember the exact offices that were recruited for. I am aware that there was an executive officer appointed in the Ministry of Tourism, Madam Speaker, but I am afraid I do not carry that level of detail around with me. I would be happy to provide it to the Honourable Member if he so wished.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker. I would appreciate it if the Member could do that. Also in providing that answer if he cannot answer it now perhaps he could provide it later from the Ministry of Tourism how much transfers, firings or . . . retirements, hirings, end of contracts, resignations, all of those.

**The Speaker:** Honourable Leader of the Opposition, I think if we look at this attachment it says that the Ministry of Tourism had one end of contract, it had no resignations, it had no retirement, it had three "other"—and it had three new recruitments and no "other." Is that what. . . Are there any further supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, in regard to the Honourable First Official Member's answer to my supplementary in regard to the definition of "other" he did make mention of, principally, what would be loosely termed "transfers", re-designations, I guess you would call it when you have changed ministry after the election. From this answer were there any persons who were put on leave or fired?

**Hon. W. McKeeva Bush:** That is what I want to give you time to say but. . .

**The Speaker:** Honourable Acting First Official.

*[Inaudible comment by Honourable Leader of the Opposition]*

**Hon. Colin Ross:** Madam Speaker, to the best of my knowledge, no one has been dismissed, terminated—we do not really use the word "fired" in these contexts. I am aware of an officer who is on leave at present, but no one has been dismissed, Madam Speaker.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, I did not want to get into that, but since that has been mentioned can the Member say what kind of leave, how long and what for?

**The Speaker:** Honourable Leader of the Opposition, I think this is outside the original question. I do not know if the Acting First Official Member is in a position to give that information to this House.

**Hon. Colin Ross:** Madam Speaker, an officer in the Ministry has written to the Head of the Civil Service to ask whether consideration could be given to his reassignment, that officer is at present on leave.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** It seems to be getting there, Madam Speaker.

Can I ask the Member what for? Is this a senior person in the Ministry? Why is he seeking transfer, Madam Speaker?

**The Speaker:** Honourable Acting First Official Member.

**Hon. Colin Ross:** Madam Speaker, yes, it is a senior person who has written to the Head of the Civil Service suggesting that his talents and experience could be better employed in another position.

**The Speaker:** I will allow three additional supplementaries.

Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, if this is a senior person who has complained about his or her talents, how senior is this position? How long has he been on leave, why the length of time and what sort of leave?

**The Speaker:** Honourable Leader of the Opposition, I cannot accept that supplementary. You will have to bring that in a question to deal with that particular position.

Are there any further supplementaries?

**Hon. W. McKeeva Bush:** Madam Speaker?

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

**Hon. W. McKeeva Bush:** Can I ask the Member what is the position?

**The Speaker:** The position of?

**Hon. W. McKeeva Bush:** Of the person who is in a senior position. What is the position?

**The Speaker:** That he holds?

**Hon. W. McKeeva Bush:** Yes.

**The Speaker:** Well, I have no objection to that, but the question you just asked a while ago went way beyond that.

Honourable Acting First Official Member.

**Hon. W. McKeeva Bush:** That was part of it, but anyway.

**Hon. Colin Ross:** Madam Speaker, the person concerned is the Permanent Secretary in the Ministry of Tourism.

**The Speaker:** Final supplementary. First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

To change the line of question somewhat, in his substantive answer the Honourable First Elected Member referred to some 47 employees being promoted during 2005. I wonder if he could indicate how many of those came from Cayman Brac and Little Cayman.

**The Speaker:** Honourable Acting First Official Member.

**Hon. Colin Ross:** Madam Speaker, regrettably, I cannot give the Lady Member that information, but I would be happy to do so.

**The Speaker:** That concludes Question Time.

## GOVERNMENT BUSINESS

### MOTIONS

#### Suspension of Standing Order 24(5)

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I move the suspension of Standing Order 24(5)—

**Hon. W. McKeeva Bush:** Victimisation!

**Hon. D. Kurt Tibbetts:** —to waive the five days' notice for Motions to allow a Government Motion to be brought, dealing with the issuance of a Government Guarantee in respect of additional borrowings by Cayman Turtle Farm (1983) Limited.

**The Speaker:** The question is that Standing Order 24(5) be suspended. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. Standing Order 24(5) suspended.**

## BILLS

### FIRST READINGS

**The Supplementary Appropriation (July 2005 to June 2006) Bill, 2006**

**The Clerk:** The Supplementary Appropriation (July 2005 to June 2006) Bill, 2006.

**The Speaker:** The Supplementary Appropriation (July 2005 to June 2006) Bill, 2006, is deemed to have been read a first time and is set down for a second reading.

**Hon. W. McKeeva Bush:** Additional borrowing?

#### **The Evidence (Amendment) Bill, 2006**

**The Clerk:** The Evidence (Amendment) Bill, 2006.

**The Speaker:** The Evidence (Amendment) Bill, 2006 is deemed to have been read a first time and is set down for a second reading.

#### **The Traffic (Amendment) Bill, 2006**

**The Clerk:** The Traffic (Amendment) Bill, 2006.

**The Speaker:** The Traffic (Amendment) Bill, 2006 is deemed to have been read a first time and is set down for a second reading.

#### **The Motor Vehicle Insurance (Third Party Risks) (Amendment) Bill, 2006**

**The Clerk:** The Motor Vehicle Insurance (Third Party Risks) (Amendment) Bill, 2006.

**The Speaker:** The Motor Vehicle Insurance (Third Party Risks) (Amendment) Bill, 2006 is deemed to have been read a first time and is set down for a second reading.

Proceedings will be suspended for 15 minutes.

**Proceedings suspended at 3.13 pm**

**Proceedings resumed at 3.32 pm**

**The Speaker:** Proceedings are resumed.

### **SECOND READINGS**

#### **The Supplementary Appropriation (July 2005 to June, 2006) Bill, 2006**

**The Speaker:** Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Madam Speaker, I beg to move the Second Reading of a Bill entitled, The Supplementary Appropriation (July 2005 to June 2006) Bill, 2006.

**The Speaker:** The motion has been duly moved. Does the Honourable Member wish to speak thereto?

**Hon. G. Kenneth Jefferson:** Yes, thank you, Madam Speaker.

Madam Speaker, section 7 of the Public Management and Finance Law (2005 Revision) dictates that Government cannot incur any expenditure without the approval of the Legislative Assembly. That approval is normally provided by the Legislative Assembly passing an Appropriation Bill into law for a particular financial year.

On 28th October 2005, the Legislative Assembly passed The Appropriation (July 2005 to June 2006) Law. That Law empowered the Government to incur certain expenditures for its financial year that will end on 30th June 2006, which I shall refer to as 2005/6.

Madam Speaker, the passage of time will often give rise to circumstances which result in a Government needing to incur expenditures during the course of a financial year that are not set out in the Appropriation Law for that particular financial year.

In order for the Government to legitimately incur expenditures during the course of a financial year that are not already contained in an Appropriation Law for that year, the Legislative Assembly must pass a Supplementary Appropriation Bill into law that contains the additional expenditures that Government needs to incur during that financial year. This dictate is stated in section 25 of the Public Management and Finance Law.

The object and reason for the Supplementary Appropriation Bill now before the House is to seek the Legislative Assembly's approval for new expenditures that are not contained in the existing Appropriation (July 2005 to June 2006) Law, and to seek approval for changes—both increases and reductions—to items that are contained within that Law.

The Schedule to the Bill contains the particular items for which approval is now being sought. Madam Speaker, as the items in the Schedule were examined by Finance Committee two days ago, on 15th March, they are well known to all honourable Members, and the listening public would also have had an opportunity to hear the questions put by honourable Members pertaining to those items.

I, therefore, do not believe it is necessary to expound upon the items again other than to simply state the description and amounts shown in the Schedule and these are as follows:

- a reduction of \$635,667 is proposed to the Collection and Disposal of Waste output;
- an additional \$75,000 is sought for Emergency Response Services;
- a reduction of \$10,486,118 is proposed to the Equity Investment appropriation to the Ministry of Education;
- an extra \$301,667 as an Equity Investment in the Ministry of Communications;
- an amount of \$845,000 as an Equity Investment in the Sister Islands Affordable Housing Development Corporation;



- an extra \$2,571,900 for Land Purchases;
- an additional \$7,414,218 is sought to complete the extension of the Esterley Tibbetts Highway;
- a reduction of \$845,000 is proposed to the appropriation for Affordable Housing Cayman Brac – but as I have already stated this same amount is to be transferred to the Sister Islands Affordable Housing Development Corporation;
- an additional \$259,000 for the building of Cemetery Seawalls in East End; and
- a requested \$500,000 in respect of the Jimmy Powell Cricket Oval, in West Bay.

These ten amounts sum to zero: therefore, there is no overall increase in expenditure planned for the 2005/6 financial year.

The single largest item of additional expenditure, an extra \$7.4 million to extend the Esterley Tibbetts Highway to the former Indies Suites location area by 30th June 2006, is sought in order to provide much needed relief to traffic congestion in the district of West Bay.

It is crucially important to state that the proposed \$10.5 million reduction to the Equity Investment appropriation to the Ministry of Education does not represent any movement away from the importance that Government attaches to Education. Honourable Members can therefore expect that the Government will seek to obtain an increased appropriation for Education in upcoming financial years.

Madam Speaker, it is also important that I comment on the financial impact of the Supplementary Appropriation requests made in the Bill.

The first point to make is that the reductions to existing Appropriations exactly equal the increased expenditures that are sought. As a result, there is no overall increase in expenditure planned for the 2005/6 financial year. Additionally, there are no increased borrowing implications that arise from the changes proposed by this Bill.

The Government remains in full compliance with the principles of responsible financial management that are set out in the Public Management and Finance Law.

Madam Speaker, two days ago, on 15th March, I laid the Supplementary Annual Plan and Estimates for the Government's financial year that will end on 30th June 2006 on the Table of this honourable House. I mention these estimates because they complement the Supplementary Appropriation Bill now before the House. Those estimates contain a forecast of the financial results for the 2005/6 year and a forecast financial position at 30th June 2006. The estimates indicate that the surplus before extraordinary items is forecast to increase by approximately \$0.6 million and to be \$3.9 million for 2005/6.

Government's net worth at 30th June 2006 is also forecast to increase by approximately \$0.6 million and be \$471 million at 30th June 2006.

Madam Speaker, honourable Members of the House convened as Finance Committee on 15th March. They considered and questioned each of the ten items in the Schedule to the Bill. Finance Committee approved those ten items. Madam Speaker, on the basis of my preceding contribution, I therefore commend the Supplementary Appropriation Bill now before the House to all honourable Members and respectfully ask that they give it their support.

Thank you, Madam Speaker.

**The Speaker:** The motion has been duly moved and is open for debate. Does any other Member wish to speak? Does any other Member wish to speak? Does any other Member wish to speak?

If no other Member wishes to speak, does the Honourable Third Official Member wish to exercise his right of reply?

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker, just to thank all Members for their silent support.

Thank you.

**The Speaker:** The question is that a Bill shortly entitled the Supplementary Appropriation (July 2005 to June 2006) Bill, 2006, be given a second reading. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. The Supplementary Appropriation (July 2005 to June 2006) Bill, 2006, given a second reading.**

#### **The Evidence (Amendment) Bill, 2006**

**The Speaker:** I call upon the Honourable Acting Second Official Member.

**Hon. Cheryll Richards:** Thank you, Madam Speaker. I beg to move the second reading of a Bill entitled the Evidence (Amendment) Bill, 2006.

**The Speaker:** The motion has been duly moved. Does the Honourable Member wish to speak thereto?

**Hon. Cheryll Richards:** Thank you, Madam Speaker.

I wish to present to this Honourable House the Evidence (Amendment) Bill, 2006. This seeks to amend the Evidence Law (2004 Revision) in order to clarify the conditions under section 33 of the Law for the admissibility of written statements.

By way of background, Madam Speaker, the Law was amended in 2004 by the addition of two other routes of admissibility of evidence of written statements to wit, when a person is dead or unavailable or does not give evidence through fear. This was

in addition to statements in due form which were permitted to be read in cases by agreement of counsel. In the usual case, these would be statements which are not in issue between the parties.

Madam Speaker, with the amendment in 2004, section 31 of the 2003 revision was repealed, and substituted therefor is the existing section which includes all three routes of the admissibility of statements. The difficulty is that the use of the word “and” to join the three may on one interpretation mean that it is necessary to have all three elements—death, fear and the agreement of counsel—before a statement can be admitted into evidence.

In the proposed amendment, Madam Speaker, the word “and” has been replaced by the word “or” and it therefore reenacts the provisions for the admissibility of written statements under the law prior to its amendment in 2004. Subsections 2 and 3 set out the additional circumstances, in which such statements would be admissible.

The Bill also makes a minor amendment to subsection 2(a) of section 33 by inserting the word “or” at the end thereof in order to clarify that only one of the requirements of that subsection must be satisfied. Clause 2 of the Bill, Madam Speaker, substitutes the word “or” for the word “and”.

I therefore seek the approval of this Honourable House in passing the Evidence (Amendment) Bill, 2006, into law subject to any amendments at the Committee stage.

Thank you, Madam Speaker.

**The Speaker:** The motion has been duly moved and is open for debate. Does any other Member wish to speak? Does any other Member wish to speak? Does any other Member wish to speak?

If no other Member wishes to speak, does the Honourable Second Official Member wish to exercise her right of reply?

**Hon. Cheryl Richards:** Thank you, Madam Speaker, just to express my thanks to the honourable Members for their support of the Bill.

**The Speaker:** The question is that a Bill shortly entitled the Evidence (Amendment) Law, 2006 be given a second reading. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed. The Evidence (Amendment) Law, 2006, given a second reading.**

### **The Traffic (Amendment) Bill, 2006**

**The Speaker:** I call upon the Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

Madam Speaker, I beg to move the second reading of a Bill for a Law to Amend the Traffic Law (2003 Revision) to Make Certain Provisions Relating to the Registration and Licensing of Motor Vehicles; to make Certain Provisions Relating to Disabled Persons; to Make Certain Provisions for Commercial Entities to Enforce Traffic Signs; to Make Breath Tests and Drug Tests Mandatory in Certain Cases; to Validate Certain Actions Taken Purportedly Under the Traffic Law and Regulations Made Thereunder; and to Make Provision for Incidental and Connected Matters.

**The Speaker:** The motion has been duly moved and is open for debate. Does the Honourable Minister wish to speak thereto?

Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker. Madam Speaker and honourable Members of the Legislative Assembly, I am pleased to lay this Bill on the Table of this Honourable House.

Madam Speaker, for the most part, the Traffic Law (2003 Revision) has served this country well. However, like other pieces of legislation there are sections in the principal Law that are no longer relevant, or are difficult to enforce, and there are other sections that need to be added. Madam Speaker, these amendments seek to effect change and encourage better traffic management in the Cayman Islands.

Madam Speaker, I know in a recent press briefing we had, the press inquired as to whether these amendments coming before this Honourable House would have made any substantial changes in the Law to control some of the accidents that are happening on our streets. I believe that came about as a result of the most recent accident over the last weekend.

However, Madam Speaker, unfortunately, this Law does not address any of that; this is a Bill that I have been saying that I was going to bring to this Honourable House ever since becoming a Minister. This Bill was approved by Cabinet prior to the accidents of the weekend. Therefore there are no provisions in here to effect anything that would try to alleviate accidents in particular.

Now, Madam Speaker, how I propose to proceed is by taking the Bill clause-by-clause. However, before I proceed, Madam Speaker, let me just say to honourable Members that recently, shortly after Hurricane Ivan, the Licensing Department was subject to an investigation on its efficiency, albeit immediately following Ivan when the whole country was in chaos and people were complaining about efficiency of the Licensing Department. We are all aware of that inves-

tigation. No disrespect to the members of staff there; they were under some real trying times during that period, and I believe that was reflected in the final report from the Complaints Commissioner. He recognised that there were areas that needed to be improved upon, like anyplace else, but he also recognised the efforts that were made by the staff of the Licensing Department to ensure that they could keep up as best as possible.

Madam Speaker, a number of these amendments are here to assist in that regard. It only proves that we are not sitting down not acting on some of the observations made by the Complaints Commissioner.

There are a number of areas, Madam Speaker, in the principal Law which ties the hands of the members of staff of the Licensing Department and after coming into office I recognised that. In discussions with the director, the deputy director, and members of staff of the Ministry, we have come up with a number of changes that will effect efficiency.

Now, Madam Speaker, if I may begin with the amendments and go through them one-by-one.

Clause 2 of the amending Bill says, "**The Traffic Law (2003 Revision), in this Law referred to as 'the principal Law', is amended in section 2 by deleting the definition of 'public place' and substituting the following definition- 'public place' means any place to which the public has access as of right or upon payment or upon invitation express or implied and includes commercial property to which persons attending for commercial purposes are allowed access by the owner of those premises whether upon the payment of a fee or not.**"

Now, Madam Speaker, it is necessary for us to amend that section of the Law because over the years we have heard that public places, particularly when it comes to disabled parking, . . . we could not enforce the Law where you have to be designated disabled to park in disabled parking spaces. We could not enforce it because the Police were not allowed to go on to those premises. Now, Madam Speaker, the intent here is to ensure that the Police—and a little further on in the Bill we will see where we are going to allow wardens to be appointed. It is absolutely necessary that we ensure provisions are put in place whereby those who would abuse disabled parking and park therein understand that that is not their place; they have to find a regular parking place. If they intend going into the disabled parking area and park, then they are going to be fined.

Now, Madam Speaker, my only regret is that, after consultation with the draftsman, he indicated that the fine for parking within the disabled parking allocation was \$500, which was in line with the United Kingdom and Canada and many other places. I was hoping that we would be able to have increased that, but I was told that maybe we should leave it the way it is because at present it is sufficient.

Madam Speaker, I know your good self and other Members of this Honourable House have been

over the years crying for the protection of disabled persons in this country. It is time, Madam Speaker, that we put provisions in place to let those who do not understand the purpose of disabled parking in a public place learn through the process of enforcement of the law.

Madam Speaker, when I became a Minister and started talking about this there were many letters in the papers, some for and some against me. That is fine. I thank all of those who were for my position, and I also thank those who were against my position because at least it got debate. Now we have reached the point where I am changing the definition of "public place" in order to enforce it, Madam Speaker.

Madam Speaker, clause 3 of the amending Bill reads, "**The principal Law is amended in section 8(2) by deleting the words 'lost or destroyed' and substituting the words 'lost, destroyed or rendered illegible.'**"

Now, Madam Speaker, what has happened there is that the principal Law reads, "**Where a registration plate is lost or destroyed the owner of the vehicle shall obtain a new set of registration plates by making application to the Director in the prescribed form and paying the prescribed fee.**" There are a number of times when the plates become illegible and under those circumstances the director's hands were tied because there were no provisions for him to reissue those plates. Therefore, this amendment coming into place will allow him the flexibility of reissuing plates under those conditions as well.

Madam Speaker, clause 4 is a consequential change where, currently, section 10(1) makes provisions, "**When a registered vehicle has been:**

- (a) exported from the Islands; or**
- (b) disposed of to the satisfaction of the Department of Public Health,"**

Madam Speaker, it is no longer the Department of Public Health but it is the Department of Environmental Health, so it is just a consequential change.

Madam Speaker, clause 5 reads, "**The principal Law is amended in section 14: (a) in subsection (1) by deleting the words 'A vehicle licence' and substituting the words 'Except as provided in subsection (2A), a vehicle licence'; (b) by inserting after subsection (2) the following subsection -**

- '(2A) Where -**
- (a) the motor vehicle is new and being registered for the first time in the Islands, not having been registered elsewhere before, a licence may, upon initial registration, be issued for three years and after the expiry of the initial period a licence may be issued for a period not exceeding two years.'**"

Madam Speaker, let me pause there for a minute. Madam Speaker, under the principal Law under section 14, section 14(1) says, "**A vehicle licence**

may be taken out for three, six or twelve months and shall come into effect -

- (a) upon the first application for a vehicle licence in respect of a vehicle, on the day of issue of that vehicle licence; or
- (b) upon a subsequent application for a vehicle licence in respect of the vehicle, on the day following the day of expiry of the last vehicle licence issued in respect of that vehicle, irrespective of the date of such application.”

Now, Madam Speaker, what we have there is that . . . and we all know of difficulties with this. We can only license a vehicle for up to one year in this country. Now, some time ago a decision was taken to inspect new vehicles. On the initial inspection then you do not have to inspect it for three years, but every year you had to licence that vehicle, Madam Speaker. So every year we have a line of people standing up, going in to licence their vehicle, the brand new vehicle, there is no need for inspection on it but you must licence it every year.

Now, Madam Speaker, what this clause is doing is allowing the new car owner to licence their vehicles for three years if they so choose. Now, Madam Speaker, it does not say you cannot licence it for one year, but it gives the director the discretion that he may allow you to licence it for up to three years. Madam Speaker, anyone who is purchasing a new vehicle would rather licence their vehicle for three years as opposed to coming every year to licence that vehicle.

Now, Madam Speaker, not only will it be more efficient for the vehicle owner, but it will also be more efficient for the department. Instead of someone coming every year to licence their vehicle, they can come the first time to register that vehicle as a vehicle on the Island and then they will not have to come back for three years, if they choose to do that. However, Madam Speaker, we must all understand, whoever decides to licence their vehicle for three years they are going to have to pay the fees for three years. If they decide to licence it for two years they are going to have to pay the licence fee for two years; it is not for free. You will be charged the money for three years.

Madam Speaker (b) of (2A) says, “**Where (b) less than three years have passed since the date of the manufacture of the motor vehicle (whether or not the motor vehicle was registered in the Islands or elsewhere before, or registered in the Islands and elsewhere before), a licence may be issued for a period not exceeding two years**”. So, Madam Speaker, in effect, if a vehicle is less than three years old and it is a second-hand vehicle coming into the country it can be licenced for up to two years. Madam Speaker, it is believed, and it is a fact, that vehicles up to three years do not—unless of course we get what is commonly referred to as a ‘lemon’ but one would know that. However, Madam

Speaker, the Government, its technocrats, are comfortable that a vehicle will remain roadworthy once from new up to three years, and thereafter it must be inspected. But it can be licenced two years after the three years has expired.

Madam Speaker, we believe that this will assist us in alleviating some of the congestion we get in the Licencing Department. We are confident that it will reduce some of the human traffic that we get in there because most people will want to licence their vehicle for three years instead of having to make three trips to the Licencing Department.

Madam Speaker, (c) says, “**in subsection (3) by deleting the words ‘The duty payable’ and substituting the words ‘Except as provided in subsection (3A), the duty payable.’**” Madam Speaker, under the principal Law, section (3) says, “**The duty payable on a vehicle licence for a vehicle of any description shall – (a) if the vehicle licence is taken out for a period of twelve months, be paid at the annual rate of duty applicable to vehicles of that description and prescribed by regulation under section 20;**”

So, Madam Speaker, (c) is making provisions for (3)(a) which I will go into now.

Madam Speaker, “**(d) by inserting after subsection (2) the following subsection [which is the (3A) now] (3A). A disabled person is entitled to register one motor vehicle free of duty and no duty shall be payable in respect of a vehicle registered in the name of an institution one of whose principal aims is to render assistance to disabled persons.**”

Now, Madam Speaker, the practice had been that we would allow it, but it was a policy decision where disabled vehicles were not charged for the licencing of that vehicle. Now, Madam Speaker, I thought since our disabled are so vulnerable, and if one who is disabled is so fortunate to have a vehicle, or for that matter if it is that the person who is disabled, their means of transportation is that one of their family members may drive or have to drive them, transport them, then, Madam Speaker, each one disabled person in this country must be entitled to having their vehicle registered for free.

Madam Speaker, it is fair, it is reasonable because we, the country, must show some kind of respect to the disabled persons and it must be legislated. Madam Speaker, I prefer to see it legislated where they are entitled to their means of transportation being registered for free, thus that provision will allow that.

Madam Speaker, clause 6 of the amending Bill reads, “**The principal Law is amended in section 15(3) by deleting the words ‘the vehicle licence’ where they first occur and substituting the words ‘the vehicle licence and licence plates.’**”

Now, Madam Speaker, under the principal Law, 15(3) reads, “**Where the registered owner of a registered vehicle intends not to use or keep that**

vehicle on a road for a period in excess of three months he may lodge the vehicle licence with the Director and make application to the Director in the prescribed form for a suspension of the vehicle licence and for a refund of any licence duty prepaid in respect of the period of such suspension and, provided the Director is satisfied that the registered owner has made proper provision for the custody or storage of such vehicle during the period of suspension, he shall refund to the registered owner *pro rata* on a quarterly basis any licence duty prepaid in respect of each clear quarter of such period of suspension.”

Now, Madam Speaker, what has happened is that over the years there were no provisions for the owner to submit the licence plates of those vehicles. Now, I know, Madam Speaker, there was a motion brought to this Honourable House, I believe it was in 2004 or thereabouts, I think by the Second Elected Member for West Bay, or Third. There were two of the Elected Members for West Bay, as far as I recall, asking government to make provisions to waive back payments on vehicles being retired. If one is retiring a vehicle and the licence plates are not submitted on that date, when they go back to licence the vehicle usually the Department requires them to pay all of the back duties.

So, Madam Speaker, while this does not directly address that motion—and, Madam Speaker, I must apologise to the Members of the Opposition who brought that at that time, but it really slipped me when I was going through making these amendments, certainly the whole House at that time saw the validity in that motion, however it has fallen away now since we had a dissolution of the House in 2005. That is not to say that the principles of that motion do not stand, and I believe at some subsequent time I will try to address that motion. However, Madam Speaker, here we are with allowing an owner who is going to take their vehicle off the road to turn in their licence plates for safe-keeping in order that the director may hold them and when they return they can retain their same licence plates.

Particularly, it will work well for, I think we call them the ‘snowbirds’ who spend only six months out of the year in Cayman and the other six months elsewhere, and it could work for some of those. It can work for people who are maybe going away for a period and who have personalised licence plates and want to retain them and so, Madam Speaker, the director’s sudden need to assist the public with safe-keeping of their licence plates as well.

Madam Speaker, clause 7 seeks to amend section 38 “(a) by deleting a full-stop and substituting a colon and; (b) by inserting the following proviso:” Madam Speaker, this is where we will find some concerns from the general public, but I trust that they understand we are here trying to make the Department more efficient and make the lives of the public a little more efficient as well, Madam Speaker.

Madam Speaker, clause 7 says, “**Provided that -**

- (i) the Director may, in his discretion, issue a licence for a period exceeding three years but not exceeding five years;
- (ii) where an applicant has reached or passed his seventieth birthday, the Director may, subject to section 29, issue a licence to such person but the licence shall be for a period not exceeding one year.”

Now, that is subject to section 29, Madam Speaker.

Madam Speaker, please allow me to explain what we are attempting to do here. Currently, the driver’s licence issued by the Department is issued for a three-year period. We just recently changed the types of driving licences that are issued—I believe the monogrammed ones—to increase authenticity of the driving licence. Particularly with some of the countries that our people were going to they were having difficulties with the licence.

Now, Madam Speaker, under section 38 of the Law, a driving licence is issued for three years. We are seeking to change the Law to say that the director may, in his discretion, extend that to five years because the licence that we are issuing has a life of five years. If the public decides that they want to have a driving licence which will be valid for five years, then we are seeking to give the director the authority to issue a driving licence for up to five years.

Madam Speaker, however, once one reaches the age of seventy under section 29 of the Law, which is “Requirements as to physical fitness of drivers” the director has the right to request a physical examination of anyone. However, up to seventy years of age we are seeking to give the director the discretion to issue a licence for up to five years, again, in an effort to streamline and make the Department more efficient, and to make it more efficient for the general public.

However, Madam Speaker, it is not to say that if you decide to have your driver’s licence issued for five years that you are going to pay the three-year amount. You are going to pay on a *pro rata* basis for the five years. So if it costs \$60 now to do a three-year licence, then it will cost \$100 for five years. That means it is \$20 per year. So if you want to issue it for five years, then it will cost \$100.

Madam Speaker, clause 8 of the Law seeks to amend section 52. At section 52 we are seeking to insert after subsection (1) the following subsection: “(2) **Neither the government nor any inspector appointed under subsection (1) shall be liable in damages for anything done or omitted in the discharge of the functions under this Law unless it is shown that the act or omission was in bad faith, but the government shall not be liable for anything done in bad faith by an inspector who is not a civil servant.**”

Madam Speaker, immediately following Hurricane Ivan the Licensing Department was having difficulty trying to get people's vehicles licenced and the likes because vehicles were coming in and we all know how many we lost. Vehicles were coming in hand over fist, and the Licensing Department personnel could not keep up with the number of vehicles that they had to deal with. The director appointed inspectors, who were not civil servants, to assist, Madam Speaker. In appointing those inspectors, they were not covered and they exposed Government to certain liabilities because they were not civil servants.

Now, Madam Speaker, there may be a time in the future that we need to appoint inspectors and, as a matter of fact, we continue to use certain inspectors. Currently, all of the new vehicle agencies are allowed, under the direction of the director, to inspect only new vehicles. It is hoped that we will move towards getting certified garages to inspect vehicles. If the public so chooses they can drive up to their mechanic, if that mechanic is certified to do so on behalf of Government, and we will be licensing these garages if they apply to be licensed as inspectors. So, Madam Speaker, besides the possibility of the future and having to appoint temporary inspectors, we would like to go into it on a permanent basis and hopefully we will not see so many cars lined up in the middle of George Town or wherever it happens that we move the Licensing Department to.

Madam Speaker, in effect, what we would like to do is spread it out throughout the country. That is not to say, Madam Speaker, that we will not retain a licensing section, a licensing department, or an inspection department for that matter. However, my hope and dreams are that we can have some of the garages—because, Madam Speaker, we have some very reputable garages in this country.

So, Madam Speaker, we are trying to ensure that any act on their behalf does not make Government liable if it was intentional or made in bad faith.

Madam Speaker, I believe that having inspectors at the garages, or certifying mechanics in this country to inspect vehicles will certainly go a long way in addressing some of the issues that the Complaints Commissioner mentioned in his report and his recommendations of increasing the efficiency at the Department.

Madam Speaker, we have to understand when we say "increasing the efficiency at the Department" that, with the number of vehicles in this country, it is virtually impossible for the staff at the Licensing Department to handle them all. It is extremely difficult on the staff. We only have, I think, two inspection pits: one in West Bay and one here in George Town. Now, Madam Speaker, if we can certify and decentralise the inspection of vehicles, it is to the benefit of the entire populace because everybody seems to be driving a vehicle nowadays.

So, Madam Speaker, that is our hopes, that is our intent, if we get approval from this Honourable

House. If this Bill is approved the director will forthwith look at certifying the different garages to do inspections on the Government's behalf.

### Hour of Interruption—4.30

**The Speaker:** Honourable Minister, it is the Hour of Interruption. I will entertain a motion for the adjournment of this Honourable House, unless you are going to be finished within a few minutes.

Honourable Leader of Government Business.

### ADJOURNMENT

**Hon. D. Kurt Tibbetts:** Madam Speaker, in moving the adjournment I would just crave your indulgence to advise the Members that in order to complete the business before this House is prorogued, the Standing Orders Committee will need to meet next week Thursday morning at 9 o'clock.

I move the adjournment of this honourable Legislative Assembly.

**The Speaker:** Honourable Leader, may I ask when are we coming back? Is it on Friday?

**Hon. D. Kurt Tibbetts:** Thursday.

**The Speaker:** Well, are we going to start on time and are Members going to ensure that the Parliament is not going to be held up?

Is it not possible to have the Committee meeting on Wednesday evening or Wednesday morning?

**Hon. D. Kurt Tibbetts:** Madam Speaker, unfortunately, Monday, Tuesday and Wednesday is when the team from London is visiting. They do not leave until Wednesday afternoon, and I am not 100 per cent sure what will take place on Wednesday with regard to the meetings.

Just to explain, Madam Speaker, the meeting of the Standing Orders Committee, once members arrive on time, should not take more than an hour for us to convene at 10. I was just a bit nervous about setting a time on Wednesday and not being able. . .

Madam Speaker, I will once again explain. On Monday, Tuesday and Wednesday there are meetings with the team from London. Now, I could set it for Wednesday afternoon.

We could set it for Wednesday afternoon, Madam Speaker, and if there are any changes I will have to notify Members. In order to play it safe and to make sure we can start on time on Thursday morning, I will advise Members now, then, that the Standing Orders Committee will meet on Wednesday afternoon at 3, here at the Legislative Assembly, and I would ask for the adjournment, given the circumstances, until Thursday morning next week, the 23<sup>rd</sup> at 10 am.

**The Speaker:** The question is that this Honourable House do now adjourn until Thursday morning at 10 am. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**At 4.33 pm the House stood adjourned until 10 am, Thursday, 23 March 2006.**

### Appendix to Parliamentary Question No. 76

Staff Movement 01-Jun-05 to 28-Feb-06

| Ministry/Portfolio Office                | Leaving         |             |            |           |           | Joining         |           |           |
|------------------------------------------|-----------------|-------------|------------|-----------|-----------|-----------------|-----------|-----------|
|                                          | End of Contract | Resignation | Retirement | Other     | TOTAL OUT | New Recruitment | Other     | TOTAL IN  |
| MINISTRY OF COMMUNICATIONS               |                 | 1           |            |           | 1         | 1               | 10        | 11        |
| MINISTRY OF EDUCATION                    |                 | 1           | 1          |           | 2         | 5               | 6         | 11        |
| MINISTRY OF HEALTH & HUMAN SERVICES      |                 | 1           |            |           | 1         |                 |           | 0         |
| MINISTRY OF PLANNING                     |                 | 1           |            | 1         | 2         | 3               | 2         | 5         |
| MINISTRY OF TOURISM                      | 1               |             |            | 3         | 4         | 3               |           | 3         |
| PORTFOLIO OF FINANCE & ECONOMICS         |                 | 1           |            | 3         | 4         | 2               | 2         | 4         |
| PORTFOLIO OF INTERNAL & EXTERNAL AFFAIRS |                 |             |            | 9         | 9         |                 | 1         | 1         |
| PORTFOLIO OF LEGAL AFFAIRS               | 1               | 3           |            | 2         | 6         | 11              |           | 11        |
| <b>TOTAL</b>                             | <b>2</b>        | <b>8</b>    | <b>1</b>   | <b>18</b> | <b>29</b> | <b>25</b>       | <b>21</b> | <b>46</b> |



**OFFICIAL HANSARD REPORT**  
**THURSDAY**  
**23 MARCH 2006**  
**10.29 AM**  
*Sixth Sitting*

**The Speaker:** I call upon the Honourable Second Elected Member for the district of Cayman Brac and Little Cayman to say Prayers.

**PRAYERS**

**Mr. Moses I. Kirkconnell:** Let us pray.

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

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

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

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

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

**Proceedings resumed at 10.32 am**

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

**Apologies**

**The Speaker:** I have received apologies for absence from the Third Elected Member for the district of West Bay and the Fourth Elected Member for the district of West Bay.

**PRESENTATION OF PAPERS  
AND OF REPORTS**

**Report of the Standing Business Committee for  
the Fifth Meeting of the 2005/06 Session of the  
Legislative Assembly**

**The Speaker:** I call on the Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. In accordance with the provisions of Standing Order 74(5), I move that the recommendations contained in the Report of the Standing Business Committee be adopted.

**The Speaker:** The question is that the recommendations as contained in the Report of the Business Committee be adopted. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Recommendations as contained in the Report of the Business Committee adopted.**

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. Having accomplished that, I beg to lay on the Table of this Honourable Legislative Assembly the Report of the Standing Business Committee for the Fifth Meeting of the 2005 Session of the Legislative Assembly.

**The Speaker:** Honourable Leader of Government Business, I think we have taken these things in the reverse form. You should have laid the Report, and at the end of laying the Report, move its adoption.

So ordered, as the Report to be laid on the Table. If you would now move that the Report be adopted that we can put the question properly.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. Again, and in accordance with your instructions, in

accordance with the provisions of Standing Order 74(5), I move that the recommendations contained in the Report just tabled be adopted.

**The Speaker:** The question is that the recommendations as contained in the Standing Business Committee Report laid on the Table be adopted. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Recommendations as contained in the Report of the Business Committee adopted.**

**The Speaker:** I call on the Honourable First Official Member.

**Report of the Standing Orders Committee —  
Amendment to Standing Order 77(3)**

**Hon. George A. McCarthy:** Madam Speaker, I beg to lay on the Table of this Honourable House the Report of the Standing Orders Committee to review the proposed amendments to Standing Order 77(3) of the Legislative Assembly Standing Orders (1997 Revision).

**The Speaker:** So ordered.

Does the Honourable Member wish to speak thereto?

**Hon. George A. McCarthy:** Thank you, Madam Speaker.

Madam Speaker, on 27<sup>th</sup> February 2006, Private Member's Motion No. 2/05-06 entitled "Amendment to Standing Orders" was referred by this Honourable Legislative Assembly to the Standing Orders Committee. The Motion read: "**BE IT RESOLVED THAT in accordance with the provisions of Standing Order 87, Standing Order 77(3) be amended as set out in the attached draft proposal;**

**"AND BE IT FURTHER RESOLVED THAT Government amend all other legislation that would give effect to this principle."**

The proposed amendment to Standing Order 77(3), Madam Speaker, read: "That Standing Order 77(3) which reads—'77(3) Upon its receipt by the Presiding Officer, a report mentioned in paragraph (1) shall be deemed to have been referred by the House to the Public Accounts Committee for consideration and shall forthwith be distributed on a confidential basis to all Members.' be deleted and the following substituted therefor—'77(3) Upon its receipt by the Speaker, a report mentioned in paragraph (1) shall be deemed to have been referred by the House to the Public Accounts Committee for consideration and shall forthwith be distributed to all Members and shall become a public document.' "

The Motion was moved by the Second Elected Member for West Bay, Mr. Rolston M. Anglin, MLA, and seconded by the Third Elected Member for West Bay, Mr. Cline A. Glidden, Jr., MLA.

In accordance with the provisions of Standing Order 78(2), the Committee consisted of the whole House with the Honourable First Official Member, Chief Secretary, as Chairman.

The Committee, Madam Speaker, met on Wednesday 22 March 2006 to consider the Motion and the Report of the Committee.

The Committee agreed that Standing Order 77(3) be amended as set out in the proposed amendment to Private Member's Motion No. 2/05-06.

The Committee agrees, Madam Speaker, that this report be the Report of the Standing Orders Committee and, as I mentioned earlier, I ask that this Report be laid on the Table.

In accordance with the provisions of Standing Order 74(5), I also move that the recommendations contained in the Report of the Standing Orders Committee be adopted.

**The Speaker:** The question is that the recommendations as contained in the Standing Orders Committee's Report be adopted. All those in favour please say Aye.

**Hon. W. McKeeva Bush:** Madam Speaker ...

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

**Hon. W. McKeeva Bush:** Madam Speaker, I rise since I am being asked to adopt this Report. I cannot do that, Madam Speaker, and therefore I wish to record why.

**The Speaker:** Honourable Leader of the Opposition, under the relevant Standing Order, you have the right to vote no and that is notice of a motion to debate the Report. Is that what you would like to do?

**Hon. W. McKeeva Bush:** Madam Speaker, if you would direct me to the Standing Order that you are referring to.

**The Speaker:** The Standing Order the Honourable Member just asked to be adopted, Standing Order 74(5).

[Pause]

**Hon. W. McKeeva Bush:** What is your direction, Madam Speaker?

**The Speaker:** Honourable Leader of the Opposition, I am not here to direct you in the direction you want to go. If you want to debate the Motion, then when it is put to the vote you vote no, and if someone opposes then it is notice of a motion.

**Hon. W. McKeever Bush:** Madam Speaker, any motion can be debated. Madam Speaker, I do not think I should vote no before I record what I have to say, which, if you call that a debate or not—

**The Speaker:** Honourable Leader of the Opposition, I have no authority under the Standing Orders to allow you to say what you have to say on a report. However, so that I am not accused of not allowing the Opposition to have their say, go right ahead and say exactly what you would feel to say on the Report.

*[Inaudible interjection]*

**Hon. W. McKeever Bush:** No. I do not think I should vote no first.

*[Inaudible interjection]*

**Hon. W. McKeever Bush:** That is what I want to check.

*[Inaudible interjection]*

**Hon. W. McKeever Bush:** Well, we will get it. We certainly will get it.

Madam Speaker, in accordance—

**The Speaker:** I ask that you stand when you are addressing the Chair.

**Hon. W. McKeever Bush:** Yes, Madam Speaker. In accordance with the Standing Orders, I am going to vote no, but I reserve the right to make my points on the matter.

**The Speaker:** Honourable Leader of the Opposition, for clarity for the Speaker, I need you to explain to me . . . if you are going to vote no, which is notice of a motion to debate the motion, how can you reserve your right to make your points?

**Hon. W. McKeever Bush:** Any way you want it. Let us move the motion, Madam Speaker. I will rise on a point of procedure.

**The Speaker:** I already put the question that the recommendations as contained in the Report of the Standing Orders Committee be adopted. All those in favour please say Aye.

**Hon. W. McKeever Bush:** Madam Speaker ...

**Ayes.**

**The Speaker:** Those against, No.

**No.** *[Hon. W. McKeever Bush]*

**Hon. W. McKeever Bush:** Madam Speaker, I rise on a point of procedure.

### Point of Procedure

**The Speaker:** What is your point of procedure, Sir?

**Hon. W. McKeever Bush:** Madam Speaker, in that the Report has come, I am not in favour of the Report as it stands. In my opinion, it contains a matter that makes a mockery of the process. The Committee is a Committee of the whole House.

Madam Speaker, the Speaker, who attended that meeting, is down here as the—

**The Speaker:** If you are going to debate the Speaker, I think that the Deputy Speaker needs to take this Chair, Honourable Leader of the Opposition.

**Hon. W. McKeever Bush:** Madam Speaker, the Deputy Speaker is not here, as you know.

**The Speaker:** Well, then this House has the right to appoint a Speaker. I do not think that I can sit here and take a motion, and rule on that motion, which is debating the Speaker.

**Hon. W. McKeever Bush:** Well, it is a matter of procedure. That is why I moved to a matter of procedure.

**The Speaker:** Okay, continue.

**Hon. W. McKeever Bush:** I am pointing out . . . and then the Chairman. . . but, Madam Speaker, I am rising on a point of order and I want to continue with the matter of procedure.

The Speaker is [recorded] in this Report as "Ms Edna M Moyle, JP, MLA." The Speaker, Madam Speaker—and I say this is not right—the Speaker cannot be the Speaker one day and not the next day, with all that goes with that office. At all times, the present Speaker is still the Elected Member for North Side. What she chooses to do is her business, and the [business of the] people of North Side.

Madam Speaker, my contention is that the Speaker has to be recorded in this Report as being the Speaker in attendance at that meeting. The House knows that the Speaker is the Member for North Side and that is what she is under the Constitution. She also carries the post of the Speaker. That has to go in the Report.

**The Speaker:** The motion has been duly moved.

Is there anyone who wishes to join this debate, that the Speaker be recorded as the Speaker in the Report of the Standing Orders Committee?

Honourable Minister of Education, Training, Employment, Youth, Sports and Culture.

**Hon. Aiden M. McLaughlin, Jr.:** Madam Speaker, I hope this matter can be resolved briefly because in the almost six years since I have been in this honourable House, I must say, Madam Speaker, I have never heard a more ridiculous proposal than that just put by the Honourable Leader of the Opposition.

The time of this honourable House, and the time of the Members of this honourable House, ought not to be taken up with such a trivial matter. I am not sure what his issue is.

You, Madam Speaker, are the Speaker of this House; but you are also the Elected Member for North Side. How you are styled in a report I do not believe means a great deal. I am not sure what his beef is, I am not sure what he is trying to achieve, but the Report has been adopted by the Committee. He was the only Member who voted against it. I believe, Madam Speaker, that we should just move on with the business of this honourable House and stop wasting the valuable time of Members in such a trivial matter.

Thank you, Madam Speaker.

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

*[Inaudible interjection]*

**Hon. W. McKeeva Bush:** Oh, no?

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

**Hon. W. McKeeva Bush:** I can speak again.

*[Inaudible interjection]*

**Hon. W. McKeeva Bush:** Why not?

*[Inaudible interjections and laughter]*

**Hon. W. McKeeva Bush:** What?

**The Speaker:** The question is that the—

**Hon. W. McKeeva Bush:** Madam Speaker—

**The Speaker:** —Standing Orders Committee Report be amended that the Speaker be recorded—

**Hon. W. McKeeva Bush:** Madam Speaker, I am asking a question, I would like an answer. Did we debate a motion, or what did we just do?

**An Hon. Member:** *[Inaudible]* a motion?

**Hon. W. McKeeva Bush:** If there is a motion, then I have a right to reply.

**An Hon. Member:** No, you do not.

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

**Hon. W. McKeeva Bush:** I—

*[Inaudible interjection]*

**Hon. W. McKeeva Bush:** Okay.

**The Speaker:** This entire thing has totally gotten out of hand.

**Hon. W. McKeeva Bush:** You are right!

**The Speaker:** Okay?

Finance Committee voted that I must be recorded on a report even if I do not sign it, okay?

Two [previous] Speakers were Elected Members and made the decision to appear in Finance Committee. The previous Speaker, Mr. Linford Pierson, took the decision not to attend Finance Committee. There was no record in this House that his name should appear on a report.

This Speaker took the same decision so that when matters are brought from the Finance Committee of a minority report, I can listen without having been there. This seems to have caused a big furore.

This Speaker has taken the decision that she will attend Finance Committee in the future, but she will attend it as the Elected Member for the district of North Side, and she will attend any Committee that she is forced to attend, that consists of all Members of this Legislative Assembly, as the Elected Member for the district of North Side. If I cannot attend it in that way, this House must rule that I do not attend at all.

Honourable Leader of the Opposition, if you care to speak on this motion again, go right ahead.

**Hon. W. McKeeva Bush:** Madam Speaker, to me it is a matter of procedure, and, to me, your attendance in any Committee is not in question. In fact, I argue that you should be attending whether, in fact, you are the Speaker, or you go in whatever capacity. However, you cannot change the fact—

**The Speaker:** Debate the motion that the Speaker be recorded as Speaker in the Report of the Standing Order—

**Hon. W. McKeeva Bush:** I am replying, Madam Speaker, to what has been said.

**The Speaker:** I have the authority in this Chair to make a statement; I have made it as Speaker.

**Hon. W. McKeeva Bush:** Well, I think—

**The Speaker:** So you please reply to the motion that the Speaker be recorded in the Report of the Standing Orders Committee as the Speaker.

**Hon. W. McKeever Bush:** Madam Speaker, I rose earlier on a point of procedure, and I am trying to get to that point. There have been several things thrown in the midst of it. This just did not start today, this started from last week when the House was delayed until two o'clock because of that question you just pointed out to the House.

I still contend, Madam Speaker, that you should attend, but your designation—which was given to you by His Excellency the Governor by virtue of you being the Speaker—cannot be changed. That is my argument. My argument is that the Report is faulty and if the House so chooses to go about it that way then that is their business.

I do not think that this is trivial. I think this sets precedence, and this is the authority for proper procedure. So, Madam Speaker, I would think that you would want to have proper procedure. I think you should attend any meeting because it is your right as an Elected Member for North Side. Which one you choose, or which one the Speaker chooses is her business; but I am saying when the Speaker comes to any Committee, the Speaker's name must be that she is the Speaker. I am saying that this Report is faulty.

**The Speaker:** The question is that the Speaker be recorded as Speaker of the House in the Report of the Standing Orders Committee. All those in favour please say Aye.

**Hon. W. McKeever Bush:** Aye—sorry.

*[Laughter]*

**Hon. W. McKeever Bush:** Can you—

**The Speaker:** Those against, No.

**Noes.**

**The Speaker:** The motion falls away.  
Madam Clerk.

**Motion to record the Speaker of the House in the Report of the Standing Orders Committee Negatived by Majority.**

*[Inaudible interjections]*

#### **Suspension of Standing Order 23(6)**

**The Speaker:** I call on the Honourable Leader of Government Business.

*[Inaudible interjection]*

**Hon. D. Kurt Tibbetts:** Madam Speaker, I am trying to catch up. Thank you.

Madam Speaker, I move the suspension of Standing Order 23(6) to allow more than three ques-

tions to appear on the Order Paper in the name of the same Member.

**The Speaker:** The question is that Standing Order 23(6) be suspended. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Standing Order 23(6) suspended.**

### **QUESTIONS TO HONOURABLE MINISTERS/MEMBERS OF THE CABINET**

**The Speaker:** Question number 78 is standing in the name of The Third Elected Member for Bodden Town and is addressed to the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture.

#### **Question No. 78**

**No. 78: Mr. Osbourne V. Bodden** asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture what progress has been made on the ITALIC programme, post Ivan, and is the Government committed to continuing the implementation of this programme.

**The Speaker:** Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, the Education Ministry fully embraces the view that, used effectively, Information and Communication Technology (ICT) can be a critical tool for improving teaching and learning in our schools. Therefore, the Government's commitment is to ensuring that all of our students have access to the opportunities provided by ICT, and not to a specific programme.

The work on the ITALIC programme to date has ensured that the Cayman Islands compares favourably to other countries in areas such as the ratio of pupil to computers and internet access in schools, and in terms of ICT infrastructure in general. However, there is considerable work to be done in terms of using this technology effectively to support teaching and learning.

The Education Ministry and Government have demonstrated their commitment to information and communication technology integration in our schools by:

- Initiating an independent and objective review of the programme, to assess what progress has been

made to date, especially in relation to the impact on teaching and learning, and where we may need to improve or do things differently in the future. The report is due 27<sup>th</sup> March 2006, and will provide much-needed baseline data on infrastructure, management and leadership and teaching and learning outcomes, to support data-driven decisions in the future.

- Supporting new ICT initiatives that encourage schools to take greater ownership of ICT, such as the Pilot ECoach ® staff training programme at John Gray High School, and a video conference project between local high school principals and a high performing secondary school in the UK, which provide opportunities for long term professional dialogue and support for ongoing school development.

### Post-Ivan Recovery Efforts

As a result of Hurricane Ivan, major infrastructural damage to ICT facilities was sustained at six facilities, namely:

- John Gray High School;
- Alternative Education Centre;
- George Hicks High School;
- Savannah Primary School;
- North Side Primary School;
- Bodden Town Primary School;
- George Town Primary School; and
- Education Department.

Most of the computers and other peripherals at these sites were also damaged and need to be replaced, such as printers, projectors and scanners. Although not as severe, all of the remaining schools sustained some damage. There were no losses to ICT equipment in Cayman Brac or Little Cayman.

As of March 2006, substantial progress has been made in regards to the network repairs and maintenance, although some further work is being done to stabilise the network. The majority of schools have had internet access restored and their damaged equipment has been replaced.

### Supplementaries

**The Speaker:** Are there any supplementaries?

Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker.

In relation to the post-Ivan recovery efforts, could the Honourable Minister state at whose expense the computers that were damaged have been replaced? Is it a case of a sponsorship or was that at Government's expense?

**The Speaker:** Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker.

Madam Speaker, all of the damage to the ICT equipment was at the expense of Government and Government has paid for it.

**The Speaker:** Are there any further supplementaries?

First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

Would the Honourable Minister perhaps clarify, when he says that it was the Government's expense, whether or not there was any insurance and, if so, have any of the insured sums been recovered to date?

**The Speaker:** Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, as the First Elected Member for Cayman Brac and Little Cayman will recall (because she was in Government at the time) there was a global settlement in respect of all of the Government insured properties (or, I should say in respect of all of the Government insured properties), and part of that sum which was settled was allocated to the educational facilities, generally, which would also include the ICT equipment.

**The Speaker:** Are there any further supplementaries?

Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker.

Could the Honourable Minister state if since the elections last year there has been some type of value for money audit carried out to ensure that we are getting what we are supposed to be getting from the ITALIC process?

**The Speaker:** Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker.

Madam Speaker, the substantive answer speaks to a review that is ongoing at this time. In addition to that, there has been—I should say, as a part of that there is a value for money audit being conducted as well. In due course, I will be in a position to make those reports public.

**The Speaker:** Are there any further supplementaries?

If there are no further supplementaries, we will move on to question number 79, standing in the name of the Third Elected Member for Bodden Town and addressed to the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture.

### Question No. 79

**No. 79: Mr. Osbourne V. Bodden** asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture how many scholarships have been granted since May 2005 and what is the monetary value.

**The Speaker:** Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, the answer.

Since May 2005, the Education Council granted Scholarships as follows:

#### OVERSEAS STUDIES

Number of Students - 67

Total cost for the Academic year- CI\$1,120,000.00

Areas of study:

**Humanities:** 1 (English)

**Professional:** 11 (Plumbing, Architecture, Land Surveying,

**Curatorial Studies Education:** 10 (Speech Pathology, Counseling, Psychology, Secondary Education

**Social and Business Studies:** 21 (Hospitality Management, Economics, Accounting, Fashion Design, Apparel Manufacturing Management, Digital Art and Design, Tourism, Finance, Marriage and Family Therapy, Interior Design, Liberal Studies, Commerce, Human Resource Management, Political Economics, Travel and Tourism Management, Sports Business Management, Communication and Public Relations

**Engineering, Technology and Science:** 19 (Computer Information Systems, Aerospace Engineering, Electrical Technology, Computerised Business Management, Graphic Design, Zoology, Forensic Science, Technical Management)

**Medicine:** 5

#### LOCAL STUDIES

Number of Students - 84

Total cost for the academic year - CI\$644,000.00

- University College of the Cayman Islands: 6 Bachelor's degrees; 40 Associate degrees; 16 Certificate (1 Year) programme
- 3 International College of the Cayman Islands
- 6 Cayman Islands Law School
- 10 A' Levels

**The Speaker:** Honourable Minister, just for clarity, the answer that I have in my hand says you have spent \$322,000, but I think you said \$644,000, so the answer should reflect \$644,000?

*[Inaudible interjection]*

### Supplementaries

**The Speaker:** Are there any supplementaries?

Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

In regard to overseas studies, can the Minister say whether or not it is still the policy that, if the course is offered at the University College, the person applying for the scholarship (if it just a normal scholarship), has to study at the University College and cannot receive sponsorship through the Education Council to study overseas for that particular subject?

**The Speaker:** Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, when I assumed the responsibility for this Ministry—and with it chairmanship of the Education Council—I found in place a policy which is under review but still operating, which operates in this way: If there is available locally and, in particular at the University College, a particular degree, then no scholarship overseas is awarded unless the individual has done the first two years (that is the Associate's program) at the University College. If that Associate's degree would not be useful in relation to the particular discipline that they wish to pursue overseas, then a full scholarship will be awarded.

I gathered from some of the veterans on the Education Council and the then Permanent Secretary that this was essentially designed to ensure that the University College could be properly developed and that the cost to Government of scholarships would be significantly reduced because at least one half of most first degrees would be pursued locally rather than overseas.

As I say, that is a policy that is under review, but we have not taken a decision as to what to do about it thus far.

**The Speaker:** Are there any further supplementaries?  
Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, for the sake of clarity, during the Minister's response he used the term "unless a person has done their Associate's". Is he saying that if you have done your Associate's and you apply for a scholarship to complete up to your Bachelor's in a

discipline that the University College offers, you can get a scholarship for those final two years?

**The Speaker:** Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, as I think the Second Elected Member for West Bay knows, the Bachelor's program is very, very new. It just started this past year so that aspect of it is still being ... as to whether or not we insist that they have to complete the entire program here is still a matter under consideration. However, in the past, when the program only permitted up to—or could only accommodate up to an Associate's degree, yes, that was the policy. You had to get the Associate's and then you could go on.

We clearly have to take a decision about the Bachelor's program at this stage. The matter really has not had to be considered thus far because this is the first year, really, of the Bachelor's program.

#### **Suspension of Standing Order 23(7)**

**The Speaker:** Could I have a motion for the suspension of Standing Order 23(7) to allow Question Time to go beyond 11 am? Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. I move the suspension of the relevant Standing Order.

**The Speaker:** The question is that Standing Order 23(7) be suspended in order to allow Question Time to go beyond 11 am. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Standing Order 23(7) suspended.**

#### **Supplementaries**

**The Speaker:** Are there any further supplementaries?  
Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.  
Madam Speaker, I had representation on 15<sup>th</sup> March 2006 from a student who has completed her Associate's and has applied for a scholarship. She has represented to me that she has been told that she cannot pursue that scholarship overseas because the subject area is offered locally. I will pass on the information to the Minister, but I ask him when does he anticipate having a decision made on this?

**The Speaker:** Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, I believe that the application process for scholarships closes at the end of this month, and, following that, Education Council will convene to start considering these matters and a decision will be taken then. As I said, this is a brand new policy area because up until now we have not had a Bachelor's program for this to be considered.

**The Speaker:** Are there any further supplementaries?  
Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Can the Minister say whether or not the Council has reached a stage of costing out what the true cost of education is in Cayman versus overseas? I ask that because, often times, assumptions are made about a student's living conditions which may not hold.

For example, a lot of our bright students do not necessarily come from households that are conducive to study, and some seek to get apartment accommodations, et cetera. This particular student did do this work, and, again, I am going to pass this on to the Minister because I think it is rather revealing what the cost of Education in Cayman is once you have to rent and provide meals for yourself versus overseas.

**The Speaker:** Second Elected Member for the district of West Bay, that is a totally new question if the Honourable Minister of Education will undertake to reply to you on that question in writing or discuss it with you after the meeting.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker.

Madam Speaker, I have not seen any sort of analysis of what the cost is (as he says the true cost is) taking into account all of those various factors. However, the point is a legitimate one.

In fact, Madam Speaker, we are going through, as I think the whole country knows, a major reform exercise. One of the strategies does look at the whole question of tertiary education and, in particular, we are pursuing as a separate strategy the development of an Education Council secretariat which will have a greater degree of focus, more personnel and, therefore, a better ability to deal with the whole question of scholarships generally.

I mean, one of the things that we have to consider is whether or not there is any point in categorising what are called scholarships now to the University College as actual scholarships because, in reality, there is little for the Education Council to consider in that respect because the policy, as I gather, over the years has been as long as the University College is



prepared to accept Caymanian students to any program there they get a scholarship. So it is the equivalent of free tertiary education for Caymanian students.

I really do not—I have been unable to see the point of going through the administrative process through the Education Council and then having to go through it again from the University College's standpoint. It just adds more work to the Education Council with little benefit. I mean, there is not much, shall I say, analysis done by the Education Council. As long as you are Caymanian and you have been admitted, here is your scholarship. So there is a great deal to be done to improve the management, the administration of education generally, but in particular, in relation to scholarships.

We know—and I acknowledge openly—that is a cause for major complaint. We are really working to try to resolve it, but it is very difficult for one person—essentially a secretary for the Education Council—to administer the entire Education Council secretariat which is what . . . in fact, we do not even have a true secretariat, we have a secretary (I am calling it by the name that we propose to call it) to administer all of these and to deal with the myriad of issues, concerns and complaints from parents, young people and schools both local and abroad.

I hope, Madam Speaker, that by the start of the next school year we should have made significant progress on that. I certainly hope that we can have the Education Council secretariat set up properly, certainly by the end of this calendar year if not by the start of the next school year.

**The Speaker:** I will allow two further supplementaries.

Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Boddén:** Thank you, Madam Speaker.

I think the Minister has just alluded to an area that will impact this question. Can the Minister give the House some sort of assurance that when it comes to overseas scholarships that there is a proper monitoring process in place that we know exactly who is overseas, when they are coming back, and what they are supposed to be coming back to do?

I think in the past we have had a lot of situations where young people go off and get themselves an education sponsored by government and they come back and they are at a loss as to what to do, where to go, and where to turn.

I just want some type of assurance from the Minister that this is being—and maybe the secretariat, again, will have to fill this role, but if the Minister could answer that question if that is being done or being looked at. Thank you.

**The Speaker:** Honourable Minister responsible for Education, that supplementary comes out of your last answer which was outside the original question. How-

ever, if you are in a position to answer the honourable Member, go ahead.

*[Pause]*

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker. I was just making sure I had the right strategy.

Strategy 5 of the implementation plan that has come out of the National Education Conference and the "National Consensus on the Future of Education in the Cayman Islands" document deals with careers education and guidance, particularly in relation to scholarships.

We are very conscious of the need for data to be properly kept and to be used in guiding the approach to the overall HR issues in Cayman. As early as today, actually, Madam Speaker, meetings are underway to deal with this situation and to make recommendations for how to deal with this over the course of this year.

As I said in a response a little earlier, there is also a particular strategy that is looking at all aspects of tertiary education and, as I said, hoping to dovetail and streamline the HR needs of the Cayman Islands with the people that are coming back with the various disciplines and requisite expertise.

It is all part of the overall reform program. As one of my answers to another question to come will indicate, we are making significant progress; but, as I think everyone knows, this is not a problem that can be resolved in a day, a month, a year—not even in the course of this term. It will be a considerable time before the exercises that are underway now actually start paying the kind of dividends that we expect.

**The Speaker:** One further supplementary.

Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, can the Minister say whether, in his time as Minister of Education and Labour, he has gotten any feedback from employers as to their view of how a Bachelor's degree from the University College will be looked at versus the traditional degrees that they were used to seeing from major U.S., Canadian and United Kingdom universities?

**The Speaker:** Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, the answer to that is no, I have not heard any issue being raised about the quality of degree that the University College will deliver. I have heard good things about the Associate's degree, and the Associate's degree is widely accepted in North America and the UK as a basis on which to get into programs at very,

very good universities there. So I would expect that the standard of Bachelor's degree would be equally as good and would have equal currency. However, I have not heard anything specific, as I said, about it.

**The Speaker:** Question number 80 stands in the name of The Third Elected Member for Bodden Town and is addressed to the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture

### Question No. 80

**No. 80: Mr. Osbourne V. Bodden** asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture what measures have been taken by the Government to ensure that contracts for busing and canteens for schools for the new financial year will be awarded in a timely manner and in compliance with procedures laid down by the Government's Financial Regulations 2004.

**The Speaker:** Honourable Minister responsible for Education, Training, Employment, Youth, Sports and Culture.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, the answer.

In early February 2006, the Government began the background work of data collection that will allow a reasonable timeline and specify detailed criteria for the awarding of contracts for busing and canteens for schools. This data collection will conclude in March, 2006. The format and content of the contracts will be reviewed and updated as needed, and the data for the 2006/07 school year will be added. The invitation for contractors should be with the press by April 2006. This timeline will allow for contracts to be awarded in May 2006, and allow contractors to make preparations to fulfil a contract that is awarded.

The tender process for both busing and canteen contracts will be managed by a Ministerial Tenders Committee. The committee will be comprised of Ministry staff and a representative from the Education Department, and will strictly abide by the procedures set out in the Financial Regulations 2004.

### Supplementaries

**The Speaker:** Are there any supplementaries?

First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

I wonder if the Minister could inform the honourable House how this will relate to the unique situation at Cayman Brac high school.

**The Speaker:** Honourable Minister responsible for Education.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, I hope that the honourable Member could be a little more forthcoming with what she described as "unique". I believe I know the matter that she is speaking about, but if she could be a little bit more forthcoming with the background to this unique situation, I might be able to answer the question a little better.

**The Speaker:** First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

Madam Speaker, I chose to utilise the terminology of "unique" because it had been discussed, certainly with the Permanent Secretary, and because of the nature of it being ongoing, I would not wish to discuss it here but I would be more than happy to once again discuss it with the Minister.

**The Speaker:** In other words, First Elected Member for Cayman Brac and Little Cayman, you will discuss this with the Minister who can probably answer your question at that time because from what I have gathered from the Minister, he is not in a position unless you can give him a bit more information. Is this my correct understanding on the part of the Chair?

**Mrs. Juliana Y. O'Connor-Connolly:** Madam Speaker, I would prefer to discuss it *in camera* as it relates to persons who either have expectations of a continuation of a contract or, perhaps litigation if there is no attention to the matter.

**The Speaker:** Okay. Are there any further supplementaries?

Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, could the Minister say what—for both of these, busing and canteen contracts—has been the standard term of those contracts?

**The Speaker:** Honourable Minister responsible for Education.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, it is difficult to say what is standard because, to be truthful, in relation to the busing contract—certainly as I have said publicly before and in this honourable House—that was something of a disaster zone for a long time.

However, I believe that we need to look at perhaps a little longer term than a year or two given the significant amount of capital outlay that is required

for busing contractors to be able to provide the service. It really does not suit Government either for this matter to have to go to tender every year or every two years because of the administrative efforts that are involved in it.

However, the current arrangement was an extension for one year because of the difficulties we had—because the tender process was started so late in the course of last year. The current arrangement will expire at the end of this school year.

**The Speaker:** Are there any further supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, following on then, given what the Minister has provided in his answer, is this Ministerial Tenders Committee going to have as a mandate to take into account the factors that the Minister just mentioned; that is, persons who currently have a contract would obviously have made significant capital investments to acquire the buses, et cetera. Will that be a factor in their deliberations? Because, personally, if I had five, ten buses and, all of a sudden someone else was awarded a contract, and my average bus life was less than required for me to even recoup my investment, that would be a situation that I would want to take to court. I am sure the Minister would want to avoid those sorts of situations.

**The Speaker:** Honourable Minister responsible for Education.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, I am not sure how anyone could be taken to court if their contract has expired. Perhaps the honourable Member has some insight that I do not.

It would seem to me, Madam Speaker, that for those contractors who already have equipment, they should be better placed to make a truly competitive bid and have had the experience of the operation to make a competitive bid than newcomers to the scene. However, what Government cannot do and will not do is be held hostage by those who currently have the contracts simply because they have the equipment. As I say, that should enable them to be more competitive in their bids. However, the tender process will be on a truly competitive basis and the fact that you were a previous contractor will not be a major factor in determining whether you get the contract again. The question is going to be whether you can provide this service at a competitive rate.

Obviously, Government is not bound to take the lowest bid, because the lowest bid is not always the best bid. We have to ensure that adequate service can be provided and, of course, the track records of those who have already been involved would be an important factor from that standpoint in the consideration. However, I do not want the impression to be made that because you have the contract you can put

in a bid and have no regard, really, to what the cost is because Government is bound to accept it because you have done it before. That is certainly not the case.

**The Speaker:** Are there any further supplementaries?

Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker. I hope this question does not fall outside the allowed parameters.

Madam Speaker, in relation to bus wardens, we have had representation that the tenure or employment longevity of bus wardens is not being taken into account in relation to their salaries. In other words, someone is there, tenure is there, they are receiving the same pay as someone who has come on relatively new. I wonder if the Minister is in a position to answer that question, or if he could provide the answer at a later stage.

**The Speaker:** Honourable Member, somewhere in the back of my mind I think there is a question coming up on bus wardens, and your supplementary is totally outside the original question or any supplementary that has following. So you can bring that as a question at a next sitting.

Are there any further supplementaries? If there are no further supplementaries we will move on to question number 81, standing in the name of the Third Elected Member for Bodden Town and addressed to the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs and the Civil Service.

#### Question No. 81

**No. 81: Mr. Osbourne V. Bodden** asked the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs and the Civil Service to confirm if there is an ongoing review of Her Majesty's Prison Northward and, if so, what is the status of the review.

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, on 1<sup>st</sup> July 2005 the Portfolio of Internal and External Affairs was given responsibility for the Prison Service. This followed a period of some five years during which the Prison Service had been under the Ministry of Community Services. It has, therefore, been vital that the Portfolio come to grips with the challenges faced by the Prison Service during those years so as to understand its present needs. To this end, we have been looking closely at HMP Northward and its programmes for rehabilitation. A number of changes to improve various aspects of the Prison Service are under consideration, and some of these will be announced in the near future.

### Supplementaries

**The Speaker:** Are there any supplementaries?

Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker.

I gather from the answer that there has been no review recently. Could the Member say when the last review was done on Northward Prison?

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, the last official review that was carried out was in 2001 by a Sir David Ramsbotham, but I should mention, Madam Speaker, there is a prison advisor, Mr. Christopher Gibbards, who visits the Cayman Islands to carry out reviews from time to time of the operations of Northward Prison and to give a report, as such, to the Government on his observations.

**The Speaker:** Are there any further supplementaries?

Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker.

I wonder if the Honourable Member could say whether any of these reviews in the last four years have revealed any significant problems.

**The Speaker:** Honourable First Official Member, if you are in a position to answer.

**Hon. George A. McCarthy:** Madam Speaker, the reports, as such, have not indicated significant problems; but the reports have highlighted areas that should be addressed.

Madam Speaker, first of all, the Northward Prison as it now stands is a prison that caters for all adult males that are going into that environment irrespective of the nature of the offence committed. It is recognised that this is not the ideal arrangement that should be in place.

Madam Speaker, there is under consideration at this time recognition that there is an urgent need to have a maximum, secured facility and this is going to be pursued in the (I would not say short but I would say) medium- to long-term because that is an urgent requirement.

**The Speaker:** Are there any further supplementaries?

Second Elected Member for the district of Cayman Brac and Little Cayman.

**Mr. Moses I. Kirkconnell:** Thank you, Madam Speaker.

Could the Honourable Member say the cost of holding a prisoner on a yearly basis?

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, the approximate cost as it is now known is quite high. It is in the region of \$53,000.

**The Speaker:** I will allow two further supplementaries.

Third Elected Member for the district of George Town.

**Ms. Lucille D. Seymour:** Thank you very much, Madam Speaker.

Can the Honourable First Official Member say if there has been a local review by his staff of Her Majesty's Prison and, if so, was that taken into account when he said there will be provisions to improve the prison?

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, the Portfolio has been paying very close attention to the operations of Northward and the other two facilities, but there is no independent local group, as such, that has carried out a specific review. In fact, there is going to be a meeting this afternoon with His Excellency to discuss various matters and how those matters connect with the Portfolio of Health, under which the subject of Community Services falls.

There is active consideration at the Portfolio level, Madam Speaker. As I mentioned, in the near future there is going to be an announcement in terms of certain initiatives that the Portfolio would recommend be pursued.

**The Speaker:** Final supplementary.

First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

I wonder if the Honourable First Official Member could enlighten the House as to what formula is utilised in coming to the conclusion of cost per prisoner.

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, the cost that has been used is the most direct method, which is to take the sum provided in the annual budget (of approximately \$10.5 million) and divide that by the average prison population of 200.

**The Speaker:** Question number 82 stands in the name of the Third Elected Member for Bodden Town and is addressed to the Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Question No. 82**

**No. 82: Mr. Osbourne V. Bodden** asked the Honourable Minister responsible for Tourism, Environment, Investment and Commerce to say when were the marine and land-based construction contracts for the Royal Watler Cruise Terminal awarded, and were they properly tendered.

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

The marine works contract for the Royal Watler Cruise Terminal was awarded to Misener Marine Construction Inc. and signed on 16<sup>th</sup> March 2004. The work was completed in February 2005.

The land-based works contract for the Royal Watler Cruise Terminal was awarded to Hurlstone Ltd. and signed on 28<sup>th</sup> May 2004. The work is scheduled to be completed in March 2006.

Neither of the two contracts were properly tendered.

Madam Speaker, I believe it is necessary for me to explain further: In September 2002, requests for "design build" proposals were sought by the Port Authority for the combined marine and land-based works for the Royal Watler Cruise Terminal and the rehabilitation of the damaged cargo finger pier.

Six companies were selected and asked to provide bids. They were Arch & Godfrey; Hadsphaltic International; McAlpine; Hurlstone Ltd/Misener Marine Construction Inc.; UBC Ltd; and K-Coast Development Ltd. Eventually, Hadsphaltic International elected not to bid and Arch & Godfrey partnered with McAlpine to submit a joint proposal. The final bids submitted were:

|                                                |                   |
|------------------------------------------------|-------------------|
| Hurlstone Ltd/Misener Marine Construction Inc. | CI\$16,677,275.00 |
| K-Coast Construction                           | CI\$13,360,065.76 |
| McAlpine/Arch & Godfrey                        | CI\$11,979,952.40 |
| UBC Ltd                                        | CI\$11,479,226.00 |

These bids were evaluated by the Project Manager and were also sent to the Government's Central Tenders Committee (CTC). The CTC evaluated the bids, took evidence from the Project Manager and requested that further clarification be sought from the bidders as it was difficult to compare the contents of the bids as they were presented.

After much delay and a Port Authority Board meeting on this matter, the Board agreed to deal with the rehabilitation of the cargo finger pier separately from the Royal Watler Cruise Terminal project. To ensure the continuity of the cargo operations of the Port Authority, the Board agreed to have Misener Marine Construction Inc. proceed with the work for the cargo finger pier. This decision was sanctioned by the CTC.

The CTC at that point requested that the Port Authority re-tender the works for the Royal Watler Cruise Terminal project given the significant change in the scope of works. This was never done.

Thank you, Madam Speaker.

**Supplementaries**

**The Speaker:** Are there any supplementaries?

Third Elected Member for the district of Bodden Town.

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker.

Could the Honourable Minister state the value of the two contracts?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, the value of the contract for Misener Marine Construction Inc. was CI\$8,384,006.00, and Hurlstone Ltd., for the land-based work, the value of that contract was CI\$6,287,483.00. Thank you, Madam Speaker.

**The Speaker:** Are there any further supplementaries?

Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker.

Could the Honourable Member say that since the re-tendering instructions were not carried out who authorised the work to go ahead?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, the Board of the Port Authority of the Cayman Islands authorised that the work be carried out.

**The Speaker:** Are there any further supplementaries?

Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

Madam Speaker, can the Minister say whether the Board did set up a technical assessment committee and that they then selected based on the bids and they reported back to the Board who then would chose the winning team?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, there was a subcommittee of the Board established to review the bids, and what I can say was that there was a disagreement between the subcommittee and the project manager. The project manager made recommendations to the Board and those recommendations were accepted and the Board awarded the contracts.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

If there was a disagreement between the project manager and the technical assessment committee, can the Member say what that disagreement was?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, my understanding is that the disagreement related to the position of the project manager that certain bidders would not necessarily submit what they considered to be the true cost of the project, but would recoup that funding in terms of change orders once the project got going. There were subcommittee members, as I understand it, that did not feel that was justification for the project manager making a particular recommendation.

Thank you, Madam Speaker.

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

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

Can the Minister say whether, in fact also, there was disagreement on specifications such as strength of cement and so on, and the depth where pilings were supposed to go on, various companies disagreed or submitted them and that was the part of the disagreement?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce, that is totally outside of the question, but if you have that information at hand and are in a position to answer the question, go ahead.

*[Inaudible interjections]*

**Hon. Charles E. Clifford:** Madam Speaker, I do not have that information but, certainly, as I indicated in the substantive answer, there were issues for which the Central Tenders Committee requested clarification

because of the way the bids were presented. I can confirm that.

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

*[Inaudible comment by Honourable Leader of the Opposition]*

**The Speaker:** Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker, and I thank the Honourable Leader of Opposition for giving way.

Madam Speaker, the substantive answer indicates that one of the contracts is scheduled to be completed in March of 2006. Can I ask the Honourable Minister whether that is on target?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, I think the majority of the construction work will be completed by the end of this month, but it is not expected that the completed facility will be ready for occupation until about late April, beginning of May.

Thank you, Madam Speaker.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

Can the Minister say whether he is in agreement with the Minister of Education—and which has been a long-standing procedure in government in regard to Central Tenders Committee—government is not bound to take the lowest bid but the best?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Madam Speaker, I can confirm that, as far as the awarding of contracts is concerned, the actual bid from the various contractors is certainly not the only matter that is taken into consideration when the Central Tenders Committee, or any other body for that matter, in deciding on whether or not to award a contract.

**The Speaker:** One final supplementary. Are there any further supplementaries? If there are no further supplementaries we will move on to the next question, standing in the name of the Honourable Leader of the Opposition.

**Question No. 83**

<sup>1</sup>**No. 83: Hon. W. McKeeva Bush** asked the Honourable First Official Member responsible for the Portfolio of Internal and External Affairs and the Civil Service to give a list of the parolees from Her Majesty's Northward Prison after the General Elections including:

- (a) crime committed;
- (b) the length of sentence; and
- (c) amount of time served.

**The Speaker:** Honourable First Official Member responsible for the Portfolio of Internal and External Affairs and the Civil Service.

**Hon. George A. McCarthy:** Madam Speaker, in the interests of confidentiality, the list of parolees, the crime committed, the length of sentence, and the amount of time served are provided on the attached sheet which is now being distributed.

**Supplementaries**

**The Speaker:** Are there any supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, I see sentences up to a range of 14 years—one person served 5 years 2 months. Is this sort of sentencing and time served now being reconsidered?

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, Honourable Members will recall that earlier this year, towards the latter part of last year, there was an amending piece of legislation introduced that changed the minimum time for certain categories of crime committed from the normal one-third allowed for consideration to be paroled to five-ninths. Madam Speaker, all sentences handed down by the courts prior to that required that an inmate serve one-third before being eligible for parole.

Madam Speaker, the decision I should mention in respect of when an inmate qualifies for parole, which is not a mandatory right—is dependant on how well that prisoner is able to demonstrate to the parole committee that he or she qualifies for such release.

**The Speaker:** Are there any supplementaries?

Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, I have a major problem with this answer—

*[Inaudible comment by Honourable Leader of the Opposition]*

**Mr. Rolston M. Anglin:**—because, firstly, the Honourable First Official Member has said to preserve confidentiality he is not going to read them, yet the answer has been distributed to all Members of this House in writing.

*[Inaudible interjection and laughter]*

**Mr. Rolston M. Anglin:** Secondly, Madam Speaker—so he needs to—we need to decide what we are going to do about that. However, I also know of people who have been paroled—people, not a person, people who have been paroled—that are not on this list. So it is either we have escaped prisoners on the loose that we do not know about, or they have been paroled because they are in my district. I know they have been paroled and, following up on his last question, I know they are not ready for release because some of them have been in prison the majority of their adult lives—

**The Speaker:** Honourable Second Elected Member, would you please put your discussion in a supplementary question, such as asking the Honourable First Official Member if he is aware of any other prisoners, as you are, that have been paroled but are not appearing on the list.

*[Inaudible comment by Second Elected Member for West Bay]*

**The Speaker:** Honourable First Official Member.

*[Inaudible comment by Honourable Leader of the Opposition]*

**Hon. George A. McCarthy:** Madam Speaker, I heard the comments of the Second Elected Member for West Bay, but the list of persons attached to this question is a list that has been provided by the prison's directorate. Madam Speaker, the prison's directorate should have very accurate records of those persons who have been released on parole.

**The Speaker:** Are there any further supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, can the Honourable First Official Member give an undertaking to this House to re-check this list? I will give him some names off microphone that he needs to re-check. Secondly, could he also advise as to what it is that Members are expected to do with this list?

**The Speaker:** Honourable First Official Member.

*[Inaudible interjection]*

<sup>1</sup> Also see the Hon. First Official Member's Statement at page 745

**Hon. W. McKeeva Bush:** Confidential for criminals. Sounds so.

*[Inaudible interjection]*

**Hon. W. McKeeva Bush:** I know when to pitch my attack.

*[Inaudible interjection]*

**Hon. W. McKeeva Bush:** You shut up!

**Hon. George A. McCarthy:** Madam Speaker, I certainly will make myself available to meet with the Honourable Second Elected Member for West Bay in order to get information from him as to persons that he is aware of that should be on this list but are not included on the list. I should ask, Madam Speaker, in the interest of confidentiality, as I have mentioned, that both honourable Members and the press will treat the names of the persons appearing on this list . . . or will omit from any official announcement or further publication of these names.

**The Speaker:** Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Madam Speaker, to the best of my knowledge, when persons go to jail it is in the *Caymanian Compass*. I would think that we would want people to know that these persons are released because they need a job. Madam Speaker, I am asking the Honourable First Official Member if he would please reconsider what he just said.

**The Speaker:** Honourable First Official Member.

*[Inaudible interjections]*

**Hon. George A. McCarthy:** Madam Speaker, it is not the—

**Hon. W. McKeeva Bush:** Government—

**Hon. George A. McCarthy:** —mandate of the—

**Hon. W. McKeeva Bush:** First Official!

**Hon. George A. McCarthy:** —the honourable Second Elected Member for West Bay, nor myself, to be directly responsible for the finding of jobs for these individuals. I think, Madam Speaker, that is being ably done by the assistance that is being provided through the probation and welfare services that normally render assistance to such individuals. Given the fact that these individuals, their names are being . . . or the information is being given today in terms of the number of those who have been paroled, we can see, Madam Speaker, that the dates on which these indi-

viduals would have been released on parole would have been prior to today's date.

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

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

Madam Speaker, can I ask the Honourable Member whether questions are cleared through Cabinet?

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, this answer was not one that was cleared through Cabinet, and it is not normal to do so with routine questions.

**The Speaker:** Are there any further supplementaries? The First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

In the substantive answer the Honourable First Official Member said that it was in the interests of confidentiality. I wonder whether he could say that justification was based on one of public interests and, if so, why.

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, I am not going to get into the legal definition of "public interest" because I would be wading outside of my depth in that area. I should say that the practice, Madam Speaker, in terms of dealing with information in this honourable House, where such information relates to persons—especially individuals who have found themselves in situations such as this, where they have been to prison, either Northward or Fairbanks, and have served their time to society . . . Madam Speaker, if it is a question where the information that is being sought is of a statistical nature, for that reason it would not be advantageous to have their names being announced over the airwaves.

**The Speaker:** Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Madam Speaker, I am not really sure that I should ask this question, but I am going to attempt, and I know you will guide me. It is a rather unusual request.

In light of the question that the Second Elected Member for West Bay asked and the serious nature of it, I wonder if the House would consider moving this question (although we have been asking supplementaries) further down the Order Paper since we have a lot of questions left today, and summon the



director of prisons so we can get some answers on this matter today.

**The Speaker:** Honourable First Official Member.

**Hon. George A. McCarthy:** Madam Speaker, I would not support the proposal that has been made by the Fourth Elected Member for George Town for this reason: The Second Elected Member for West Bay said that he has got information in respect of persons who have been released on parole whose names are not appearing on this list. He said he could provide that list of names and I am quite willing to meet with him, Madam Speaker. There are avenues, if it comes to light that such persons have been released, or that inaccurate information has been given, and as a result of that, has caused inaccurate information in turn to be given by myself to this Honourable Legislative Assembly, there are ways of dealing with this other than the avenue that is being suggested by the Fourth Elected Member for George Town.

I should also mention that in addition to the parole procedure there is another aspect where, if an individual is sentenced to a given period of time, this individual can avoid or take the option of being released on parole and serve the period which qualifies (I think, two-thirds), which will allow for this individual to be released on remission. Once this individual is released on remission it is then deemed that the individual would have served the full time required under the law and would not, therefore, be subject to recall.

This, then, would mean that the person would have served less than the 100 per cent of the time to which he or she has been sentenced.

I would find it very difficult, Madam Speaker, between these two scenarios for there to be a whole lot of people who have been released on parole and for this information to have been omitted from the list that I gave this morning.

**The Speaker:** Honourable First Official Member, I am going to suggest on behalf of the House that when you get the answer to this question that you make a statement to the House to clear up this matter, once you have had it investigated, and you make a statement to this honourable House as to your finding.

**Hon. George A. McCarthy:** Madam Speaker, I am quite happy to give yourself and Honourable Members of this House this undertaking because I have noted very carefully the comments of the Honourable Second Elected Member for West Bay.

**The Speaker:** I will allow one further supplementary.

If there are no further supplementaries we will move on to the next question, standing in the name of The Third Elected Member for George Town.

#### Question No. 84

**No. 84: Ms. Lucille D. Seymour** asked the Honourable Leader of Government Business and Minister responsible for the Ministry of District Administration, Planning, Agriculture and Housing to provide an update on the status of plans to replace the Farmer's Market.

**The Speaker:** Honourable Leader of Government Business and Minister responsible for Agriculture.

**Hon. D. Kurt Tibbetts:** Thank you.

Madam Speaker, there are no definitive plans to replace the Farmer's Market in its previous form. The closure of the Farmer's Market (which was necessitated by the decision of the Airport Authority to take back the land on which the building was located, and accelerated by the passage of hurricane Ivan) was both a major blow to the farming sector and an opportunity for a completely new look at the structure of agricultural marketing facilities in the Cayman Islands.

An extensive examination of the needs and opportunities within the sector and economy as a whole was undertaken incorporating ideas from stake holders and the experience gained from the past fifteen years of agricultural marketing. The result is an exciting, fresh and unique concept designed to service the local community and forge new and economically beneficial links between the agricultural and tourism sectors. This new Agri-tourism project envisages the development of the Lower Valley agricultural site into a multi-functional, multi-use facility with a strong agricultural and cultural theme that will function as

- an agricultural and craft market,
- an agri-tourism attraction
- an education centre for the preservation,

promotion and development of agriculture as well as the craft and culinary heritage of the Cayman Islands.

Simultaneously, the project will preserve and expand the use of the site as a venue for a wide variety of national events such as the agricultural show, festivals, cultural and sporting events.

The Ministry has been fortunate to bring to the project the services of one of Cayman's leading architects, Mr. John Doak, who has consented to contribute his unique skills to translate the vision of the proposal into a conceptual plan. To date, Mr. Doak has completed an initial set of very exciting conceptual plans which were put on display at the annual agriculture show.

As Minister responsible for Agriculture, I wish to stress that these are conceptual plans only, created to provide a basis for critique and input. This is a national not just an agricultural project, one that is unique in its scope and vision to the Cayman Islands, and even the wider Caribbean, and will require the input of a broad cross-section of stakeholders, before the final plans can be completed.

### Supplementaries

**The Speaker:** Are there any supplementaries?

Third Elected Member for the district of George Town.

**Ms. Lucille D. Seymour:** Madam Speaker, will the Honourable Minister accept congratulatory remarks from me regarding this outline as to the vision of Agri-tourism in the Cayman Islands? Will he also accept from me my appreciation of him inviting the Back-benchers on these tours?

**The Speaker:** Can we put this into a question, please.

**Ms. Lucille D. Seymour:** Will he also, Madam Speaker, accept from me my appreciation, and I will ask him to further extend invitations to us, the Back-benchers, so that we will be able to see the future of the agriculture in the Cayman Islands. Thank you very much.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, certainly! Both the Government Backbench and the Members of the Opposition are invited whenever we are doing tours.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

Madam Speaker, now that the Minister has some conceptual plans on what is to be a very interesting project, unique in scope and vision to the Cayman Islands and even the wider Caribbean, can he say whether he had any concept of cost?

**The Speaker:** Honourable Leader of Government Business and Minister responsible for Agriculture.

**Hon. D. Kurt Tibbetts:** Madam Speaker, this too (that is, the cost of the project) is perhaps not unique but also uncommon because the concept is going to be that the majority of the physical structures will be paid for by corporate Cayman. Just to expand on that a little bit, once we have the plans firmed up after taking input—and we are doing that as we speak, Madam Speaker—the various structures are going to be looked upon in a manner where we will go out to corporate Cayman looking for sponsorship and relating to those various entities whereby they will have continuous advertising of themselves for all the many visitors who will grace the site with their presence.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, can the Member say, outside of what he expects the businesses in this country to pay, or to assist with or grant whatever it is going to be, whether he has any ideas of cost otherwise?

**The Speaker:** Honourable Leader of Government Business and Minister responsible for agriculture.

**Hon. D. Kurt Tibbetts:** Madam Speaker, as the substantive answer gave, this is *conceptual* at this point in time. Neither the architects nor anyone else has, at this point in time (because they have not firmed up the plans) been able to give costs. However, I just want to give the Leader of the Opposition an example so that he will understand the concept of corporate sponsorship in this regard.

There will be kiosks, Madam Speaker. Let us remember that the site itself is not starting from scratch; there is an existing pavilion and there is the actual Agriculture Department and its workings. It has various fields and it has various orchards which exist. The plan is to incorporate what exists now and to enhance on it, whereby there will be these kiosks which will be constructed for the use of the farming community and the arts and crafts community. We are confident from the bit of groundwork that we have done now, that we will get various entities sponsoring the individual kiosks. Thereby no individual entity will have a huge cost expectation for their contribution. However, at the same time, that kiosk will perennially advertise the corporate sponsorship that exists.

**The Speaker:** Are there any further supplementaries?

Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker.

Madam Speaker, since the closure of the Farmer's Market there has been a constant cry for somewhere other than the regular supermarket shopping for people to be able to pick up fresh produce. I know there is an idea floating around that maybe the agricultural pavilion could be utilised on weekends for that purpose. I wonder if the Honourable Minister could say whether anything has been considered by the Ministry and the Department on that.

**The Speaker:** Honourable Leader of Government Business and Minister responsible for Agriculture.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker.

Unlike some other quarters, I know the Fourth Elected Member for George Town will believe me as he has asked the question. It was no longer than two days ago when the Ministry staff and I had discussions and they have already been with discussions to the farming community. There is a plan to have "produce day" on certain Saturdays, and we expect by the time we get the promotions up and going that perhaps

June will be the starting month (this being the end of March), but we want to do it properly.

The frequency of those days will certainly depend on the response, but we do anticipate that those produce days, whereby farmers will have the ability to sell their produce, most likely will start on a Saturday. I think we will call it "Produce Saturday", or something to that effect. That event will be held at the Agricultural Pavilion.

**The Speaker:** Two final supplementaries.

Third Elected Member for the district of George Town.

**Ms. Lucille D. Seymour:** Thank you very much, Madam Speaker. My question is in three parts, if you would allow me: Why was the Lower Valley site selected? What is the rationale for linking agriculture and tourism? Who will benefit from the proposed project?

**The Speaker:** Honourable Leader of Government Business and Minister responsible for Agriculture.

**Hon. D. Kurt Tibbetts:** Madam Speaker, it is a good thing they are my friends.

[Laughter]

**Hon. D. Kurt Tibbetts:** Madam Speaker, the Lower Valley site offers a number of features which lend themselves to the parameters of the proposed project. The size of the site and the fact that the surrounding lands are not yet developed, thereby providing opportunities for potential expansion; the site is owned by Government and significant investment has already been made in developing the basic infrastructure.

The current facility, that is, the agriculture showground, is under-utilised and the existing infrastructure offers tremendous potential for future development. The site also has good road access and it is elevated, safe from flooding and other hurricane impacts. It is located in the Bodden Town district and the proposal fits well within the Government's plans to bring more tourism projects and economic opportunities to the eastern districts. Those are some of the reasons why the Lower Valley site was selected.

When we speak to the rationale for linking agriculture to tourism, in order for agriculture to develop, one key is to expand the market opportunities for local agricultural products. The scale and the cost of production in the Cayman Islands do not lend themselves to access export markets.

Tourism provides the equivalent of an export market on the Island in the form of over 1,000,000 visitors (either stay-over or cruise tourism)—over 20 times the size of the resident population. This is a potential market that can provide tremendous economic benefit for the agricultural sector.

On the other side of the coin, when examining the tourism sector one finds that there is an identified

need for additional land-based attractions here in the Cayman Islands. There is a growing demand among visitors for a greater variety and authentic cultural and culinary experiences. Agri-tourism projects have been successfully developed in other destinations. A large percentage of visitors are interested in learning more about local foods, crops, farming methods, crafts, heritage and, of course, native flora and fauna. We, in fact, have to look no further than the Turtle Farm, itself an Agri-tourism attraction, or the number of visitors that travel to Mr. Willie Ebanks' farm in North Side annually as proof of the interest.

I think the lady Member also asked who will benefit from the proposed project. Potentially the project will provide economic benefits for the growth and development of the agricultural sector, farmers and persons in the wider community. In particular, Madam Speaker, it is expected that the project will provide young persons with exposure to agricultural science and technology and the opportunity to be educated about the history, the culture, and the traditional skills of the earlier generations of Caymanians.

Very importantly, Madam Speaker, local craftspeople will also benefit from the marketing and promotion of their products and the preservation of traditional crafts and skills.

For the agricultural sector, the project will provide farmers with new market outlets and greater market access to the large, potential visitors' market. With greater market opportunities comes the potential for increased production, potential for increased economic returns from operating their own retail stores for the sale of their and other farmers' products.

The processing facility to utilise periodic surpluses and to expand the range and volume of products sold through secondary processing—that is jams, jellies and juices—certainly, Madam Speaker, will enhance the farmer's viability as a sector.

**Hon. W. McKeever Bush:** Madam Speaker.

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

**Hon. W. McKeever Bush:** Madam Speaker, the Minister has just read from a document. Does he care to table that document?

Further, the Minister has said that the architect has completed an initial set of very exciting conceptual plans which were put on display. After all that was said, can the Minister still not say there is some idea of cost?

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, the second part of the Member's question I cannot say anymore because I explained to him why there were no costings available yet. When I say I cannot say anymore, I do not mean that in any other way besides the fact

that I simply do not have an answer and I am not with the ability to even say I will provide him with one because it is not at that stage yet.

For the first part of his question, Madam Speaker, I was looking at notes with possible supplementaries, as he will remember when he was a Minister, you always have them attached when answering the question. Certainly the *Hansards* can provide him with all the relative information that I just said.

**The Speaker:** Madam Clerk, we will move on to the next question, standing in the name of the Third Elected Member for George Town.

### Question No. 85

**No. 85: Ms. Lucille D. Seymour** asked the Honourable Minister responsible for the Ministry of Tourism, Environment, Investment and Commerce to say how many scholarships were issued by the Ministry of Tourism in 2005 under the Tourism Scholarship programme and whether any other scholarships were issued by the Ministry in that year.

**The Speaker:** Honourable Minister responsible for Tourism.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, further to the public advertisement inviting applications for the 2005 Ministry of Tourism Scholarship Programme, six applicants were interviewed by the Ministry appointed panel. The panel consisted of the President of the CITA, the Deputy PS for Tourism, Director of Tourism and the NTMP's Human Resources Sub-Committee Chairperson.

Of the six candidates interviewed late in May 2005, the panel selected and recommended scholarships for four individuals. These recommendations were approved by the Ministry of Tourism and the following persons received scholarships:

- Miss Tenecia Ebanks
- Miss Astra Watler
- Miss Lysha L. Wong
- Miss Meloney Syms

However, in June 2005 a series of scholarship award letters were discovered in the Ministry of Tourism offices indicating that the former Minister of Tourism had independently awarded 13 full scholarships and 2 partial scholarships during the period of November 2004 through May 2005.

In June 2005, neither the Ministry of Tourism nor the Department of Tourism had on file any application documents relating to these persons. Specifically, the scholarships coordinator who is responsible for the administration of the Ministry of Tourism scholarship programme was not aware of these letters being is-

sued by the former Minister and consequently these persons were not part of the formal application, interview and selection process.

Madam Speaker, notwithstanding these circumstances and in the interests of the students involved, the Ministry of Tourism has included these students in the Ministry's Scholarship programme to ensure that their scholarships are budgeted for each year and that we are able to monitor performance and ensure compliance with the guidelines.

Thank you, Madam Speaker.

### Supplementaries

**The Speaker:** Are there any supplementaries? Honourable Leader of the Opposition.

*[Laughter and inaudible comments]*

**Hon. W. McKeeva Bush:** Madam Speaker, will the Member not agree that the person acting now as PS and other Ministry staff had knowledge, discussions—even the Department of Tourism, and, in fact, wrote letters—the letters he claims that are there—would he not agree that they all knew about it?

**The Speaker:** Honourable Minister responsible for Tourism.

**Hon. Charles E. Clifford:** No, Madam Speaker, I certainly cannot agree with that. The substantive answer certainly runs very much contrary to what the Leader of the Opposition has just said.

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

**Hon. W. McKeeva Bush:** I know, Madam Speaker, that the Minister knows that other staff were involved and they could not be just found there without anybody knowing. To prove that, Madam Speaker—since he has given that answer, and will not say otherwise—I am going to have to ask that this honourable House get the truth—bring those officers here!

**The Speaker:** Honourable Minister of Tourism.

**Hon. Charles E. Clifford:** Madam Speaker, I am not sure what the Leader of the Opposition is hoping to achieve with what he has just suggested because, as a former Minister, he would certainly be aware that those same officers would be the officers who drafted this answer to this Parliamentary question.

**Hon. W. McKeeva Bush:** I know.

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

**Hon. W. McKeeva Bush:** Madam Speaker, I hope you will bear with me here. I have no problem with some of the answer, but the fact to say that I did this

without anybody knowing when, in fact, people had to type it, Madam Speaker. The only people that can say otherwise are those people—Mrs. Gloria McField-Nixon, and Mrs. Judy Powery, and Ms. Pat Ulett.

Of course, there are other people who know, but those were the three who assisted. If he can bring them here, Madam Speaker, it would be good.

*[Inaudible comment from Member of the House]*

**Hon. W. McKeeva Bush:** I know.

**The Speaker:** Honourable Minister for Tourism.

**Hon. Charles E. Clifford:** Madam Speaker, I answered the question just a few minutes ago. Those officers in the Ministry are the officers that drafted this answer. I am not going to bring them here before this honourable House for the Leader of Opposition to do his usual style and beat up on civil servants.

**The Speaker:** Are there any further supplementaries?

**Hon. W. McKeeva Bush:** Madam Speaker.

**The Speaker:** Honourable Leader of the Opposition, could you—

**Hon. W. McKeeva Bush:** The Minister has said that I have beat up—

**The Speaker:** Could you give me a minute, please?

I recognised the Third Elected Member for Bodden Town prior to you getting up.

#### Point of Order

**Hon. W. McKeeva Bush:** I'm rising on a point of order, though, in regard to what was said by the Minister.

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

**Hon. W. McKeeva Bush:** Madam Speaker, the Minister has said that I will do "my usual style" and "beat up on civil servants." I want him to bring and to say which civil servants that I have beat up on.

**The Speaker:** Honourable Leader of the Opposition, I do not consider that a point of order, Sir.

Third Elected Member for the district of Bodden Town.

**Hon. W. McKeeva Bush:** Of course not.

**Mr. Osbourne V. Bodden:** Thank you, Madam Speaker.

Could the Minister say when were the scholarships awarded by the former Minister of Tourism?

*[Inaudible comments from the Hon. Leader of Opposition]*

**The Speaker:** Honourable Minister responsible for Tourism.

**Hon. Charles E. Clifford:** Madam Speaker, as the substantive answer indicates, according to the scholarship award letters they were awarded between November 2004 and in May 2005.

However, Madam Speaker, the way in which this matter transpired, and the fact that the letters were just found in the Ministry, I asked computer services to inquire into this matter to tell me when these letters had been created. The result of that inquiry, Madam Speaker, was that while some letters had been created between November 2004 and May 2005, what was glaringly obvious was that there were a number of those letters that were created between the 11<sup>th</sup> May—Election Day—and the 18<sup>th</sup> May, the day that we were sworn in to this honourable House. Those letters were, in fact, backdated by the person who created them.

Thank you, Madam Speaker.

**The Speaker:** I will allow two further supplementaries. Are there any further supplementaries? Are there any further supplementaries?

If there are no further supplementaries we will move on to the next question, number 86, standing in the name of the Third Elected Member for George Town and addressed to the Honourable Minister responsible for the Ministry of Tourism, Environment, Investment and Commerce.

#### Question No. 86

**No. 86: Ms. Lucille D. Seymour** asked the Honourable Minister responsible for the Ministry of Tourism, Environment, Investment and Commerce to say what are Government's plans for the development of a Tourism Apprenticeship Programme.

**The Speaker:** Honourable Minister responsible for Tourism.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, the Ministry of Tourism has commissioned the establishment of a Tourism Apprenticeship Training Program to better prepare current and future employees for certain critical occupations within the tourism industry of the Cayman Islands. The objectives of such an apprenticeship programme include:

1. To improve the competency of the Cayman Islands tourism industry workforce;
2. To enhance the levels of customer services provided to guests by the Cayman Islands tourism industry;

3. To help Cayman workers currently employed in the tourism industry to advance in their careers and increase their earning potential;

4. To assist young Caymanians who aspire to careers in tourism, in getting the technical skills that they need to be successful in the tourism industry;

5. To ensure that the Cayman Islands tourism industry has an adequate supply of qualified Caymanian workers to meet its future needs; and

6. To guarantee that there will always be a significant number of highly qualified Caymanians employed at every level of the tourism industry so as to ensure the unique Cayman character of the Cayman vacation experience.

At my request, the Department of Tourism (DoT) researched the concept and prepared a draft proposal for the objectives, plans and timelines for the establishment of the Apprenticeship Programme. The concept was discussed with the Cayman Islands Tourism Association in November 2005 and again in February 2006 and on both occasions it received strong support from the tourism industry.

The next step in the plan calls for the Appointment of an Apprenticeship Advisory Council to review the draft proposal and from here on guide the development of the apprenticeship program. The Advisory Council would be made up of approximately 12-15 people who would be representatives of the Cayman Islands tourism industry, vocational educators, administrators from UCCI and ICCI, relevant government agencies and members of the community.

The primary roles & responsibilities of the apprenticeship council would be to:

- Identify careers or occupations within the tourism industry that are most appropriate for apprenticeship training;
- Determine the current and future workforce needs (demand for labour) of the Cayman Islands tourism industry relative to those careers or occupations;
- Select the occupations to be included in the pilot test of the apprenticeship program for 2006-07 and the number of apprentices to be trained;
- Determine the competency standards to be achieved for journeyman and master craftsperson certifications in each occupation;
  - Approve a course of study for each occupation and certification level;
  - Approve competency tests for each occupation and certification level;
  - Approve the employers who will provide on-the-job training;
  - Approve the institutions that will provide classroom (theoretical) training;
  - Approve a selection process to select apprenticeship trainees;
  - Approve the candidates selected for apprenticeship training;

- Commission follow-up tracer studies to assess the efficacy of the apprenticeship training program;

- Monitor the implementation of apprenticeship training; and

- Advise the Minister of Tourism on apprenticeship training policies on an annual basis.

The work of an advisory council member is largely to review the technical and research documents that are prepared by the DoT and other Government agencies and then to provide guidance, advice and assistance. The DoT staff would incorporate the recommendations of the Council into plans, curriculum, reports, standards, courses of studies, etc. to reflect the input from Council. The Council then either approves or rejects or revises the DoT's work and passes it on along with Council recommendations to the Ministry. If the Ministry concurs then it directs DoT staff to implement the appropriate actions and to keep both the Council & Ministry informed.

The Ministry proposes to conduct a pilot test of the apprenticeship training program in the 2006-07 academic year. In the pilot program approximately 20 individuals will be selected to participate. Some would be chosen from workers already employed in the tourism industry; others would be selected from recent high school graduates who want to start careers in tourism and a few would be high school seniors with a desire & commitment to a career in tourism. At the end of the first year of the pilot apprenticeship training program an evaluation would be conducted. Based on the results of that assessment the DoT and the Advisory Council will, if necessary, make recommendations to the Ministry of Tourism for improving and revising the program.

### Supplementaries

**The Speaker:** Are there any supplementaries? Second Elected Member for the district of Cayman Brac and Little Cayman.

**Mr. Moses I. Kirkconnell:** Thank you, Madam Speaker.

I note in his reply the Honourable Minister says, **"The Advisory Council would be made up of approximately 12-15 people who would be representatives of the Cayman Islands Tourism Industry, vocational educators, administrators from UCCI and ICCI, relevant government agencies and members of the community."**

I would like an undertaking from the Honourable Minister that the Advisory Council would have one and, hopefully, two members who are not only involved with the tourism industry but resident involved with the tourism industry of Cayman Brac and Little Cayman.

**The Speaker:** Honourable Minister responsible for Tourism.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, I am certainly happy to give the Member that commitment. As he knows, we never leave Cayman Brac and Little Cayman out of our considerations. Thank you, Madam Speaker.

**The Speaker:** Are there any further supplementaries? Third Elected Member for the district of George Town.

**Ms. Lucille D. Seymour:** Madam Speaker, through you may I ask the Honourable Minister to allow me to congratulate him for giving such a comprehensive report on how our young people and people are going to take ownership of the tourism product in the Cayman Islands.

**The Speaker:** Honourable Minister, I do not think there is a question for you to answer, but you may like to thank the honourable Member for offering congratulatory remarks.

**Hon. Charles E. Clifford:** Yes, Madam Speaker. I certainly thank the Member for those remarks.

**The Speaker:** Are there any further supplementaries?

**Hon. W. McKeever Bush:** Why don't you all just pat each other on the back?

*[Laughter]*

**The Speaker:** If there are no further supplementaries, proceedings will be suspended until 2.30.

**Proceedings suspended at 2.42 pm**

**Proceedings resumed at 2.31 pm**

**The Speaker:** Proceedings are resumed.

Question number 87 stands in the name of The Third Elected Member for George Town and is addressed to the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture.

#### **Question No. 87**

**No. 87: Ms. Lucille D. Seymour** asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture if the Honourable Minister has received a report from the Students Representative Council of the University College of the Cayman Islands in regard to the operations and facilities at the University, and, if so, what steps are being taken in response to matters raised.

**The Speaker:** Honourable Minister responsible for Education.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, the answer.

Yes, a report was received by me from the Student Representative Council. A meeting has already been held with the Board of Governors of the University College to review in detail the various matters raised in the report. Further meetings are planning with students and staff of the College and appropriate steps are being taken to address the critical issues raised in the report.

**The Speaker:** Are there any supplementaries?

If there are no supplementaries we will move on to the next question, number 88, standing in the name of the Third Elected Member for the district of George Town and addressed to the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture

#### **Question No. 88**

**No. 88: Ms. Lucille D. Seymour** asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture what progress has been made in addressing the priorities of the education service identified through the National Conference on Education in September 2005.

**The Speaker:** Honourable Minister responsible for Education.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, the answer: Since the publication of the document "The National Consensus on the Future of Education in the Cayman Islands" considerable work has taken place.

To oversee the implementation of the strategies an Education Innovation and Oversight Committee was established. Each of the strategies is led by a project group reflecting the broad range of stakeholders, including the private sector. Each project group has established clear aims and objectives and reports regularly on its progress. Since the strategies are all inter-related, the Oversight Committee helps to ensure that the work of different groups is consistent and coherent.

Stakeholders views are still being sought, through extensive consultation on the full range of issues. External consultants are also advising the committee to ensure that internationally comparable standards and solutions are being considered.

**Strategy One - Development of a new administrative framework for a new Education Service:** A review of the education system is well underway. A project plan has been approved and proposals for future and effective governance are being developed.

The project group, chaired by Deputy Chief Officer, Mrs. Mary Rodrigues, is working towards

completing its consultation and recommending a new model for the governance of the whole education system by May 2006. This recommendation will be made to the Education Innovation and Oversight Committee.

**Strategy Two - Review of the Cayman Islands National Curriculum:** A review of the entire National Curriculum has started. The Task Force, chaired by Mrs. Helena McVeigh, Chief Inspector of Schools, includes representatives from a wide variety of stakeholders. It is crucial to provide a continuous and credible curriculum from Early Years through to tertiary and beyond, which is assessed to international standards and is relevant to our students and the Cayman Islands.

This will require high quality professional development for teachers prior to implementation, and will coincide with the opening of the new schools. The response from government school teachers volunteering has been excellent and the Ministry is greatly encouraged by the enthusiasm of staff.

**Strategy Three - The Development of an Early Years Unit:** Senior Schools' Inspector Mrs. Kate Marnoch is chairing a task force to review all aspects of Early Years provision. The team will create the guiding principles, structure and operation of the new Early Years Unit during its conception. A key part of this work is to ensure that our Early Years provision reflects internationally accepted standards.

**Strategy Four - The Development of an HR Unit within the Ministry, with a Deputy Chief HR Manager dedicated to Education:** The Human Resources (HR) unit within the Ministry has already been established along with the appointment of a Deputy Chief HR Manager, Mrs. Glenda Dilbert-Davis, who has made considerable progress, especially in the recruitment process.

Candidates have been interviewed for the Post of Chief HR Manager.

For the first time, all Principals have been involved in interviews for new staff. All schools have identified existing and future staffing needs and the overseas recruitment process has begun—much earlier than in recent years. Job descriptions are under review to ensure consistency, as are a number of policies.

A review of teachers' conditions of service, including salaries, will start in the near future. Mr. Conor O'Dea, Managing Director of Butterfield Bank, has been appointed as chair of this review body.

A task force chaired by Mr. Philip Jackson of Ernst & Young has convened to identify the guiding principles, structure and operation of the new HR Unit in terms of recruitment, retention, and professional development.

**Strategy Five - Careers Education and Guidance:** A project group is being established to recommend terms of reference and operating guidelines for all aspects of careers education and guidance within our education service. It will also ensure alignment of government scholarship offerings with the HR priori-

ties of the Cayman Islands, and identify terms of reference for a new Education Council Secretariat.

**Strategy Six - A review of Business Processes within the Education Department:**

A full review of the Education Department's financial processes has occurred and a report submitted, which includes recommendations on how to delegate greater financial autonomy to Principals. Training for Principals has already started. Newly delegated financial autonomy will be piloted in a number of schools from September with a roll out for all schools to follow on. This will give Principals increased flexibility and improve the efficiency of schools.

**Strategy Seven - Improvements in the collection and use of all aspects of data within the Education Service:** This project group, chaired by the Ministry's Deputy Chief Officer, Mr. Stran Bodden, has started work on establishing the guiding principles of data collection alignment with internal agencies. A particular focus is the use of performance data to allow teachers to identify the individual needs of students and adapt their teaching strategies to meet the students needs.

**Strategy Eight - The development of a TVET programme at all levels of the Education Service:** This strategy deals with development of Technical and Vocational Education and Training (TVET). Its implementation will be guided by the curriculum group, the review of school priorities and further consultancy advice. Regional and international best practices will be examined and adapted to fit the needs of the Cayman Islands.

**Strategy Nine - development of a strategic plan for the maintenance and further development of educational facilities:** The Ministry has announced plans for extensive capital investment for new schools, specifically three new high schools on Grand Cayman, a new George Town Primary School along with multi purpose halls at Cayman Brac High Schools and East End Primary School.

The task force for strategy nine will be conducting a comprehensive review of existing maintenance arrangements, while building capacity for educational development projects. It will also prepare development plans for each educational facility.

**Strategy Ten - the development of high initial quality teacher training and further development of educational facilities:** A project group has been appointed and work has begun on identifying the most appropriate strategy to deliver the provision of high quality initial teacher training as well as continuing professional development for all teachers, especially in the use of ICT.

**New Strategies:** Additionally, since the production of the Consensus document, further thinking and discussion has identified that there is a need for two further strategies:

**Strategy 11** will focus on students with additional needs: that is students with Special Educational Needs through to those students that are gifted and



talented and those for whom English is their second language.

**Strategy 12** will focus on developing a strategic national approach to Tertiary Education.

Thank you, Madam Speaker.

### Supplementaries

**The Speaker:** Are there any supplementaries?

First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker.

Under Strategy Nine, just by way of clarification, it refers in the plurality to multi purpose halls at the Cayman Brac high school. Is it merely a scrivener's error or is it the intention to build another Cayman Brac high school?

**The Speaker:** Honourable Minister responsible for Education.

**Hon. Alden M. McLaughlin, Jr.:** Thank you, Madam Speaker.

I believe if the honourable Member were to examine the sentence again, she will see that the halls (plural) is used because we are talking about halls at Cayman Brac High and at East End Primary.

**The Speaker:** Are there any further supplementaries? First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker, just to say that was my original interpretation, but as I listened to the Minister he did not make a correction so I wanted to be absolutely clear.

**The Speaker:** Are there any further supplementaries? Third Elected Member for the district of George Town.

**Ms. Lucille D. Seymour:** Thank you, Madam Speaker.

First, let me thank the Minister for such a comprehensive document to let the public exactly what it is we are going to do with Education. Also, I ask him if some of these will stand alone, or if he has prioritised any particular ones and what timeline has he been able to allocate to all of this?

**The Speaker:** Honourable Minister of Education, I am sure you do not have that information at your fingertips, so maybe you can undertake to give the answer to the Honourable Member.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, all of the strategies coming out of the Conference which are contained in the National Consensus document, and the two additional strategies which have subse-

quently been developed . . . work is being conducted on all of them. They are at various stages of development along the road and it is a little difficult for me to try, even if I had the time, to say precisely now the timeline for each of them. We are moving forward as swiftly as we can.

Some aspects—in fact, quite a number of aspects of the strategies—are being implemented already. Some of them will come on line at the start of the new school year, particularly those in relation to the delegation of authority to principals in the schools.

As the answer has said, the creation of the HR unit has been done. The many advertisements that we have seen in the paper over the course of the past few weeks advertising posts within the education service are there for the first time comprehensively because of the development of this HR unit, so that we are not waiting until June, July and sometimes even much later than that, to advertise posts. They are all being advertised well in advance because there is a coordinated approach to the whole exercise.

We are still at the very early stages of what is to be a massive reform of our education service in these Islands. I think we are moving along quite well. It is important that the answer is as comprehensive as it has been because a lot of this stuff will not be seen by the general public or, indeed, Members of this House because it is at the administrative level and at the levels of the schools.

We are very conscious of the need for tangibility when carrying out these sorts of exercises. Because we are yet to break ground on one of the new schools, there really is not something tangible which the general public will see in terms of advances on the education front, unless these sorts of statements are made, hence the reason for the comprehensive response.

I hope I have satisfied honourable Members, but I am certainly willing to take any other supplementaries. Standing here this afternoon, I just cannot give timelines in relation to particular strategies as outlined in the answer.

**The Speaker:** Are there any further supplementaries? If there are no further supplementaries we will move on to the next question, number 89, standing in the name of the Fourth Elected Member for George Town and addressed to the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture.

### Question No. 89

**No. 89: Mr. W. Alfonso Wright** asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture what is the current position with Labour Tribunals for Cayman Brac and Grand Cayman, in terms of the appointment of members and the resolution of cases

before them.

**The Speaker:** May I ask the person who has a telephone on to please turn it off whether it is on vibrate, silent or otherwise.

Honourable Minister responsible for Employment.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, the answer: The Cayman Brac Labour Tribunal was appointed in December, 2005. The Secretary to the Tribunal is currently in the process of making the logistical arrangements for the Tribunal to sit in Cayman Brac, after which cases will be scheduled according to the date order in which they were received.

There are currently approximately 30 cases outstanding in Cayman Brac, although once the Tribunal is functioning effectively in Cayman Brac, it is anticipated that this number will be swiftly reduced. The Ministry of Education, Training, Employment, Youth, Sports and Culture is committed to supporting the resolution of labour disputes in the Sister Islands. The Ministry is working with the Department of Employment Relations to ensure that all Tribunals are fully supported and is monitoring the position in Cayman Brac in order to see if any additional support is required.

The membership of the Labour Tribunals in Grand Cayman is currently due for renewal. The Ministry of Education, Training, Employment, Youth Sports and Culture is in the process of recommending new appointees to the Governor-in-Cabinet, which will be forthcoming shortly. There are, however, only approximately 18 cases awaiting resolution by a first instance Labour Tribunal in Grand Cayman. This is a testament to the dedication and hard work of the committed persons who sit on these Tribunals; and who have contributed to the significant reduction in outstanding cases, which stood at 350 in 2000.

### Supplementaries

**The Speaker:** Are there any supplementaries? First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker, to the Honourable Minister responsible for Education. Is the Minister in a position to say what the logistical arrangements are for the tribunals in Cayman Brac?

**The Speaker:** Honourable Minister responsible for Employment.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, the substantive answer says in the second sentence, "The Secretary to the Tribunal is currently in the process of making the logistical arrangements for the Tribunal to sit in Cayman Brac. . ." I cannot say

more than that, Madam Speaker. I do not get involved on that level if I can avoid it.

**The Speaker:** Are there any further supplementaries? First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. Can the Honourable Minister say whether or not the Tribunals have a place in which to meet?

**The Speaker:** Honourable Minister responsible for Employment.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, I understand that the answer to that question is yes. There was an issue for a while, but I believe that has been resolved.

**The Speaker:** Are there any further supplementaries? First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. I would like to thank the Minister for his answer, and I would ask if he would be so kind as to say where such location is.

**The Speaker:** Honourable Minister for Employment.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, I do not know.

**The Speaker:** Are there any further supplementaries? First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. With the Honourable Minister's commitment (which I fully concur with) to supporting a resolution of labour disputes in Cayman Brac and Little Cayman, if he could undertake to inform the honourable House as to the location as, certainly for this Member, it is quite important.

**The Speaker:** Honourable Minister for Employment.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, I do not know that the precise location of where the Labour Tribunal sits in Cayman Brac is a matter of national importance. However, I can certainly undertake to have staff in my Ministry find out precisely where the Tribunal will be held and convey that information to the honourable Member. In due course, when the arrangements are made there will be a public statement about it so that all and sundry are aware of it.

At this stage I can only say that I will try to find out the information and have it conveyed to the

honourable Member.

**The Speaker:** Are there any further supplementaries? First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. Can the Honourable Minister say whether or not the reason for the Tribunal not meeting has been because they have not been able to find a place to meet since the appointment of the Members?

**The Speaker:** Honourable Minister of Employment.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, I believe that was a factor, but there were other factors as well.

**The Speaker:** Are there any further supplementaries? If there are no further supplementaries we will move on to the next question, number 90, standing in the name of the Fourth Elected Member for George Town and is addressed to the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture.

#### Question No. 90

**No. 90: Mr. W. Alfonso Wright** asked the Honourable Minister responsible for the Ministry of Education, Training, Employment, Youth, Sports and Culture what progress has been made on the design and development of the three proposed high schools for Grand Cayman and what timelines have been established for taking this work forward.

**The Speaker:** Honourable Minister responsible for Education.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, the answer: During this year considerable consultation has taken place on the existing design brief for new high schools submitted by Mr. Harry Weibe. This consultation has been with many stakeholders, including principals, teachers, the schools inspectorate and a technical committee collating all the feedback.

Additionally external advice has been sought, most recently from Professor Stephen Heppell, who visited us in February 2006. He is possibly THE leading expert on the design of schools and learning of the future.

Professor Heppell has already submitted his initial reflections on our current design brief. He has also agreed to act as a consultant with the architects and the Ministry to support not just the design and build but also ensure that our approach to teaching and learning maximises the learning opportunities for our students.

Interviews have started for the post of Senior Project Manager to oversee the building process of

the new high schools.

It is anticipated that the new high schools—all three of them—will be available for the academic year September 2008-2009.

#### Supplementaries

**The Speaker:** Are there any supplementaries? Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Madam Speaker, I wonder if the Member could state whether or not there were plans already drawn for these high schools when he took up responsibility for education, since there were two groundbreaking ceremonies.

**The Speaker:** Honourable Minister responsible for Education.

*[Inaudible comments]*

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, I believe it was always the case, and is still the case, that the new high schools would be built on the basis of a design-and-build contract or tender. So there were no plans drawn and there currently are no plans drawn.

There was the concept document (which I referred to) which had been prepared by Mr. Harry Weibe and submitted in 2000, which we have had regard to in the exercise that is currently being carried out. However, the plan was and the plan still is that when they do go to tender, the successful bidder would design and build the schools.

**The Speaker:** Are there any further supplementaries? Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker. I am not sure whether you will allow the question, but I will ask and you will make your ruling.

The recent transfer of funds from the education budget to roads has caused some confusion in the community. I wonder if the Honourable Minister could say whether or not that transfer will cause any delays in the process of getting these three schools off the ground.

**The Speaker:** Honourable Member, you are quite correct, and if you would reword your question to ask if this affects funds for design and development, which is your question, I will allow it.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker. Madam Speaker, can the Member say whether the recent transfer of funds from the education budget to roads will affect the process of moving the schools forward?

**The Speaker:** Honourable Minister responsible for Education.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, the answer to that question is simply no. I think we need to reflect a little about this issue.

First thing I can say is that if I believed for a moment that the transfer of those funds would compromise the construction of those schools, I can tell everyone in this country that my colleagues in Cabinet and on the Backbench would have major problems with me. However, that is not the case, and, indeed, the entire Government is committed to education reform. It was one of the key planks of our election campaign.

We need to understand that when the last budget was prepared we had been in office for a very short period of time. A lot of the work that has now been conducted and is still being conducted in relation to the research and design for the optimum schools had not yet then been done, and we did not have as good an idea about the timelines for actual start of construction then as we do now. Unlike some governments that have gone before us, this is one government, and we are able amongst ourselves to agree to the reallocation of funding which will not be used in this fiscal year—this fiscal year ends at the end of June—and to have it allocated to other very, very needy capital projects which were under-funded in the original budget.

If we must plead guilty to having gotten the budgeting wrong, we say guilty as charged. However, we do have a national plan; we do know what we are doing. If we do need to reallocate funds, as has been the case this time, we will do so. But all should rest assured that the plan for borrowing and the plan for government expenditure, generally, will take into account the fact that we need roughly the sums that have been previously projected to complete the schools and that will be done.

Members can be assured that there will be adequate provision in the budget to come in July to ensure that what has to be done during the course of the ensuing fiscal year will be done. There is certainly enough funds there now to take us through until the end of this fiscal year.

**The Speaker:** Are there any further supplementaries? Third Elected Member for the district of George Town.

**Ms. Lucille D. Seymour:** Thank you very much, Madam Speaker. I wish to thank the Honourable Minister for giving us a good insight of what he is doing in terms of the buildings and a design brief.

I would like to ask two questions on the point, Madam Speaker, regarding the design brief and I would ask the Honourable Minister if he would undertake, when doing the design brief, to look at not having a sprawl in terms of the physical feature of the

school but a more contained type of physical feature so that there can be movement within and not without as we currently have it at the various schools.

Also, in the design brief if he could include a gymnasium in these schools.

**The Speaker:** Honourable Minister responsible for Education.

*[Inaudible comments]*

**The Speaker:** They are your members.

*[Laughter]*

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, the whole question of how the schools are designed is one that is very much at the forefront of these discussions. The overall objective is to reduce the numbers of children who are in any one learning centre at a given time, to improve both the ability of teachers to teach, children to learn, conduct and security issues. So we are looking very carefully at how the new schools are designed.

We had originally said that we would like the high schools not to exceed 750 to 800 students. In light of some of the observations I have made in my travels and in discussions I have had, particularly with Professor Stephen Heppell, we are looking at even adjusting that possibly. I say possibly, because nothing has been decided yet. The prospect, for instance, of, essentially four learning centres operating on one campus, almost completely independently, with smaller numbers of students, say, 250 to 300 in each of the learning centres as opposed to one massive high school with 800 or 1,000 students, is definitely something we are looking at. However, there are cost implications in all of these things and those things have to be balanced.

As far as the gymnasium is concerned, I have, perhaps, an even more ambitious vision than that. However, again, we have to get the numbers in on these things to see what is possible and what is not for we know that the first question—and that is a correct question—that will be asked is: what is the cost of all of this? How much can the country afford? So, we are looking at all of those things, and we are right at, probably, the most exciting period of this sort of discussion as we speak with Professor Heppell having visited and us now in consultation and dialogue with him.

**The Speaker:** I am sure all that discussion includes a pool in the school in the eastern district to assist the school children in that district to partake in the swimming competitions.

Are there any further supplementaries? Third Elected Member for George Town.

**Ms. Lucille D. Seymour:** Thank you very much,

Madam Speaker. I am glad that you have prompted the ambition of the Honourable Minister, who I am sure will be thinking of pools in those schools.

To prompt his ambition a little more, I am wondering if the Honourable Minister will take into consideration when they are doing the design brief of the high schools, the Cayman Brac High School and how the technological perspectives can be interfaced so that our children in the Cayman Brac schools will not be inhibited from any modernisation. Thank you.

**The Speaker:** Honourable Minister responsible for Education.

**Hon. Alden M. McLaughlin, Jr.:** Yes, Madam Speaker, we are considering all of those factors including the prospect of a swimming pool at the facility in Frank Sound. Everything is on the table.

**The Speaker:** Are there any further supplementaries? Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, the next time you need to ask a question just send it by the Serjeant and I will ask it for you.

**The Speaker:** Let us not go there, Honourable Member.

**Mr. Rolston M. Anglin:** However, can the Minister say in the site in West Bay, when we broke ground there was a conceptual drawing to fit into the shape, the footprint of the land that was there. Is that a similar sort of way forward that is being looked at currently?

**The Speaker:** Honourable Minister responsible for Education.

**Hon. Alden M. McLaughlin, Jr.:** Madam Speaker, there are problems with the West Bay site and I will tell you why: Where the school had been proposed (and I was happy to go along with that having visited the site with my colleagues from West Bay), the Jimmy Powell Cricket Oval is adjacent to the proposed site. There are proposals, and we are underway now with continuing the development of that facility. Apparently, when the proposals were laid out, I do not know what went wrong but there is an overlap between part of the proposed development for the cricket facility and part of the property on which the new school would stand. We are now trying to resolve that issue which might actually have to involve the acquisition of another piece of property, a fairly small piece of property to be able to properly accommodate both facilities in that area.

I can say to the honourable Member that I am anxious to do whatever we can to accommodate both facilities in the same area because I think that the

young people will gain tremendously from having the cricket facility there and then the Bush sporting facility so nearby.

There will be two schools there: the primary school and the high school. One of the things that we have to look at as a country is to try to minimise the number of special-built facilities we have to construct because we simply cannot afford the huge capital outlay and maintenance of so many. We have to look strategically at where we place them so that we get maximum usage of whatever we construct.

**The Speaker:** Are there any further supplementaries? If there are no further supplementaries we will move on to the next question, number 81, standing in the name of the Fourth Elected Member for George Town and is addressed to the Honourable Minister responsible for the Ministry of Tourism, Environment, Investment and Commerce.

#### Question No. 91

**No. 91: Mr. W. Alfonso Wright** asked the Honourable Minister responsible for the Ministry of Tourism, Environment, Investment and Commerce to provide an update on the project which is ongoing on the property owned by the Port Authority and situated at SafeHaven off the West Bay Road, and to say whether the work is being carried out by the Port Authority or some other entity and, if it is the latter, on whose authority was the work commenced and when did it start?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, the project referred to in the question is known as the SafeHaven Marina Project and it is currently the subject of a legal review by the Port Authority's attorneys, as there is no formal agreement in place between the developer, Cesar Marina Corporation Ltd., and the Port Authority of the Cayman Islands.

Madam Speaker, by way of background information, in May 2003 Cesar Marina Corporation Ltd. presented a proposal to the Port Authority to construct and manage a public marina (and associated facilities), and in consideration the Port Authority would grant the developer the right to construct water access to the North Sound via a canal on the Port Authority's property, and that all the excavated material from the canal would become the property of the investor.

Subsequent to that proposal, discussions between Cesar Marina Corporation Ltd. and the Port Authority have been taking place on a "Draft Heads of Agreement" with respect to the proposal that was presented by Cesar. In September 2003, the Port Authority Board of Directors approved, in principle only, the Marina Development & Management Agreement, that

is, the "Draft Heads of Agreement" presented by Cesar Marina Corporation Ltd. The Board also gave approval for the Chairman to communicate this decision to the developer, but the Board stipulated that it would have to approve the final plans, and that the Port Authority's attorneys would have to review the agreement before final Board approval and signing.

In May 2004, the draft agreement was sent to the Port Authority's attorneys who raised a number of points on its contents. The former Chairman answered these points which were incorporated into a revised draft agreement produced by the Port Authority's attorneys. This revised agreement was sent to Cesar Marina Corporation Ltd., who in turn disagreed with the changes that were made. Negotiations between the parties stalled and the final plans were never approved by the Board and no agreement was signed between the two parties.

Notwithstanding that, Madam Speaker, Cesar Marina Corporation Ltd. has already excavated a canal entirely on the Port Authority's property covering approximately 4.5 acres. The Port Authority discovered that work had commenced on the site during the first quarter of 2005, and when they enquired to find out who had authorised the work they discovered that approval for this work was given, in a letter dated 10<sup>th</sup> October 2003, by the former Chairman of the Port Authority to Cesar Marina Corporation Ltd. stating (and I quote) "that permission is now given for the works to commence in accordance with the Agreement."

Madam Speaker, except for the excavation works mentioned, no other works have been carried out at the Port Authority's property at SafeHaven. The size of the property prior to the excavation of the canal was 8.6 acres. It is estimated that some 700,000 cubic yards of fill has been removed to produce the canal and used as fill on the developer's property.

Madam Speaker notwithstanding this irregular situation, the Port Authority recognises that what has been done cannot be changed and the Authority is therefore eager to resolve this matter in a way that protects the interests of the Port Authority and the general public.

### Supplementaries

**The Speaker:** Are there any supplementaries? Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Thank you, Madam Speaker.

In a few areas in the substantive answer the Honourable Member refers to the former Chairman. Can the Honourable Member say who that Chairman was?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker. The former Chairman is the now Leader of the Opposition. Thank you, Madam Speaker.

**The Speaker:** Are there any further supplementaries? Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Madam Speaker, the report speaks of 700,000 cubic yards of fill that has been removed from Government property, or that of the Port Authority if you want to be exact. I wonder if the Honourable Minister could say what is the value of the 700,000 cubic yards of fill.

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce, if you are in a position to answer that question.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, I understand that the value is approximately C\$1.5 to C\$1.7 million.

**The Speaker:** Are there any further supplementaries? Third Elected Member for the district of George Town.

**Ms. Lucille D. Seymour:** Madam Speaker, thank you very much.

Would the Minister be able to tell me who the directors for Cesar Marina Corporation Ltd. are?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, I do not know who the directors are. I can only say that Cesar Marina Corporation Ltd. was represented at the Port Authority Board Meeting by Mr. Michael Ryan. Thank you, Madam Speaker.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

Madam Speaker, the substantive question says, "In September 2003, the Port Authority Board of Directors approved, in principle only, the Marina Development & Management Agreement, i.e. the "Draft Heads of Agreement" presented by Cesar Marina Corporation Ltd. The Board also gave approval for the Chairman to communicate this decision to the developer, but the Board stipulated that it would have to approve the final plans, and that the Port Authority's attorneys

would have to review the agreement before final Board approval and signing.”

Madam Speaker, first of all, can the Minister say who submitted plans to the Planning Department for the project?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Madam Speaker, just before answering that question, I need to correct an earlier answer to a supplementary question that was in relation to the approximate value of the 700,000 cubic yards of fill material. I said at the time it was C\$1.5 to C\$1.7 million but, in fact, the approximate value based on, I think somewhere in the region of \$20 per cubic yard, is approximately \$14 million, not \$1.5 to \$1.7 million.

In answer to the question from the Leader of the Opposition, I am not in a position now to say who submitted the plans. Thank you, Madam Speaker.

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

**Hon. W. McKeever Bush:** Madam Speaker, is it not correct that the Port Authority did submit the plans, that they gave approval?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, I can certainly repeat the section of the substantive answer that indicated negotiations had stalled and the agreement was never reached between the parties. I do not know who submitted the plans to the Planning Department or if they were ever submitted, but I can certainly undertake to get that information and either provide it to the Leader of the Opposition and the other Members of the House or to make a separate statement in the House on the matter. Thank you, Madam Speaker.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeever Bush:** Madam Speaker, can the Minister say in that authorisation, whether that was the Board meeting in Cayman Brac? In September 2003, he says, the Port Authority Board of Directors approved in principle only.

*[Inaudible comments]*

**The Speaker:** Honourable Minister of Tourism, if you are in a position to answer that question, go ahead.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, I am not in a position to answer that question. Thank you.

**The Speaker:** Honourable Leader of the Opposition, is this a follow-up because—

**Hon. W. McKeever Bush:** Madam Speaker, I would appreciate getting some answers. This is a follow-up, so I would appreciate allowing me to get those answers because it is a follow-up to what the Minister said.

**The Speaker:** Honourable Leader, that is what I am asking you because the Fourth Elected Member for George Town had caught my eye, but if you are continuing—

**Hon. W. McKeever Bush:** I give way to him, Madam Speaker.

**The Speaker:** If they are follow-ups from your supplementary—

**Hon. W. McKeever Bush:** I will give way to the Member for George Town.

**The Speaker:** Fourth Elected Member for the district of George Town.

**Mr. W. Alfonso Wright:** Madam Speaker, I have two supplementaries, but I am not sure whether you will allow me up again. I do not know how long you will allow us. Let me ask, if I can put the two questions now.

Madam Speaker, we have just been told that 700,000 cubic yards of fill were removed from Government property, cutting the acreage just about in half. Madam Speaker, I wonder if that operation would have attracted any royalties and whether or not the Government did collect any royalties on it. Also, Madam Speaker, where did the fill go? On whose property did the fill go to?

**The Speaker:** I think the second question, Honourable Member, in the answer the Honourable Minister has said the fill was removed to produce the canal and used as fill on the developer's property. I will call on the Honourable Minister to answer the first part of your question.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, the Member asked whether royalties were collected. This is a canal that was excavated in land, obviously, so it would not have attracted royalties as a coastal works application, for instance, where the excavation is taking place in the sea. Clearly, there is an issue of compensation or the Port Authority attempting, post-excavation, to come to an agreement with the developer so that, as I said in

the substantive answer, the interests of the Port Authority and the general public can be protected and the developer is put in a position to deliver on what was originally promised in the proposal.

**The Speaker:** Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

Madam Speaker, can the Minister say which meeting he is referring to in September 2003? Is it not the Cayman Brac meeting he has referred to?

**The Speaker:** Honourable Minister of Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker. I know I have already answered that question. I do not know which Port Authority meeting it was, but it was in September 2003. I do not understand the relevance of the location.

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

**Hon. W. McKeeva Bush:** Madam Speaker, does the Member have the letter that he speaks of?

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

No, Madam Speaker, I do not have that letter, but certainly, if the Leader of Opposition would like me to make that the subject of a separate statement and table it, I would be happy to do that.

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

**Hon. W. McKeeva Bush:** Madam Speaker, *[Certain words were ordered by the Honourable Speaker to be expunged from the record.]* I do not mind any statement, but I would like to table a letter—

**Hon. Charles E. Clifford:** Madam Speaker?

**The Speaker:** Honourable Minister responsible for Tourism.

**Hon. Charles E. Clifford:** The Leader of the Opposition is suggesting that there is information either in the substantive answer or in answer to one of the supplementary questions that is not true and that I am not telling the truth.

Now, Madam Speaker, he has repeatedly been saying that from that side of the House either on the microphone or off the microphone because he believes that the more often he says it the more people are likely to believe him.

Madam Speaker, I am not going to allow him to get away with that. He is out of order for suggesting it, and I ask that he withdraw the remark.

**The Speaker:** Honourable Leader of the Opposition, I heard the remark, but I am not certain whether it was on the microphone or not. If it was on the microphone, I would ask you to withdraw the words that the truth is not being told or if—

**Hon. W. McKeeva Bush:** Madam Speaker, I . . .

**The Speaker:** I think the words you used were that if you could get the truth you would not mind having any statement. If you could withdraw those words, if you could get the truth, because I do not think any Parliament allows any Member to call another Member a liar.

**Hon. W. McKeeva Bush:** Madam Speaker, I am not going to withdraw any statement because the Member has more than once *[Certain words were ordered by the Honourable Speaker to be expunged from the record]* in this House. I will not withdraw what I said!

**An Hon. Member:** [Inaudible] shut Parliament down. He [Inaudible] withdraw that.

**Hon. W. McKeeva Bush:** Well, let us see. I will walk out of here first.

**An Hon. Member:** You [Inaudible] walk out.

**Hon. W. McKeeva Bush:** Because *[Certain words were ordered by the Honourable Speaker to be expunged from the record]*

*[Inaudible comment]*

**Hon. W. McKeeva Bush:** Yeah. You will have to vote me out first.

**An Hon. Member:** Walk out. [Inaudible]

**Hon. W. McKeeva Bush:** Yep, I—

*[Inaudible comment]*

**Hon. W. McKeeva Bush:** I am not going to walk out because my question is—is very pertinent to what was said.

**The Speaker:** As the Honourable Speaker filling this seat—and as long as I am here, I will make the decision that when another Member calls another Member, in my words, a liar—I will take that decision to request that those words be wiped from the records of this Parliament, if the Members using those words are not prepared to do it.

Are there any further supplementaries?



**Hon. W. McKeeva Bush:** Madam Speaker, are you saying that what I just said there is going to be taken from the records?

**The Speaker:** The words that people are lying.

**Hon. W. McKeeva Bush:** Madam Speaker, I did not say people, I referred to the Honourable Minister of Tourism [*Certain words were ordered by the Honourable Speaker to be expunged from the record*] and I will not withdraw [*Certain words were ordered by the Honourable Speaker to be expunged from the record.*]. Now, whatever you want to do, do!

**The Speaker:** Honourable Leader of the Opposition, the Speaker has made a ruling. I need to make it extremely clear to you, Sir. I am not afraid of you or anyone else sitting in this House.

**Hon. W. McKeeva Bush:** Do not get in a fight with me over this, Madam Speaker, because me and you—

**The Speaker:** I am not going to make any Member of this House a martyr by naming them and asking them to leave this Chamber so that they can play on the sympathy of the people outside and blame it on the Speaker.

[Laughter]

**The Speaker:** Are there any further supplementaries?

**Hon. W. McKeeva Bush:** Madam Speaker, I must object—

**The Speaker:** The Third Elected Member for the district of George Town.

**Hon. W. McKeeva Bush:** Madam Speaker, on a point of order.

**The Speaker:** I have made a ruling.

**Hon. W. McKeeva Bush:** On a point of order, Madam Speaker.

**The Speaker:** May I hear your point of order?

#### Point of Order

**Hon. W. McKeeva Bush:** Madam Speaker, the point of order is that there are Standing Order provisions, if I have said what I have said, to either prove it or the Minister to disapprove it, and the House has to make that determination. Now, if you do not want to go through all of that, you make your decision.

**The Speaker:** Are there any further supplementaries? Third Elected Member for the district of George Town.

**Ms. Lucille D. Seymour:** Thank you very much, Madam Speaker.

I would like to ask the Minister if there are any measures put in place to recoup the \$14 million in lieu of the marl that has been excavated from Government property.

**The Speaker:** Honourable Minister responsible for Tourism, Environment, Investment and Commerce.

**Hon. Charles E. Clifford:** Thank you, Madam Speaker.

Madam Speaker, as I indicated in the answer, the matter is being reviewed by the Port Authority's attorneys, so that is one of the issues that the attorneys will be looking into.

**The Speaker:** Last supplementary. Are there any further supplementaries? Honourable Leader of the Opposition.

**Hon. W. McKeeva Bush:** Madam Speaker, I crave your indulgence . . . of a letter written in October that deals with the September meeting that the Member referred to.

[Inaudible comment]

**Hon. W. McKeeva Bush:** Well, I will put it in a question. I just crave the indulgence of the Speaker to read what was said in that letter because I do have a copy of the letter that I am asking the Minister about.

That question is, Madam Speaker—firstly, the letter reads, "In reference to the agreement between the Ritz-Carlton and the Port Authority for the development of a public marina at SafeHaven in the North Sound, please be advised that the agreement was ratified by the Port Authority Board at a recent meeting held in Cayman Brac September 2003. Permission is now given for works to commence in accordance with the agreement."

Does the Member have that letter?

**The Speaker:** Honourable Leader of the Opposition, I think the Honourable Minister has answered that on two occasions. Would you care to lay the letter that you have just read on the Table of the House?

**Hon. W. McKeeva Bush:** [Inaudible] I will give it to the press.

**The Speaker:** It really does not matter to me whether you give it to the press or not.

**Hon. W. McKeeva Bush:** [Inaudible] Nothing matters to you.

**The Speaker:** The Standing Orders require that if you read from a document it must be laid on the Table of the House.

Honourable Minister of Tourism.

**Hon. Charles E. Clifford:** Well, the Leader of the Opposition did ask whether I had the letter, Madam Speaker, and I answered that already. I do not have the letter. However, clearly, what he just read from confirms the information in the answer. It is the exact wording.

**Hon. W. McKeeva Bush:** The difference is that the Board approved it. That is the difference!

**The Speaker:** Madam Clerk, would you please move to the next item on the Order of the day? Thank you.

## STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

**The Speaker:** I have received notice from the Honourable Leader of Government Business to make a statement.

### Constitutional Talks

**Hon. D. Kurt Tibbetts:** Madam Speaker, yesterday a team from the Foreign & Commonwealth Office completed a very useful and informative three-day round of discussions with the Government and other interested parties regarding the Constitutional review process in the Cayman Islands.

The team was led by Mr. Ian Hendry, former Deputy Chief Legal Advisor to the Foreign & Commonwealth Office, and also included head of the Overseas Territories Department, Mr. Tony Crombie; the Constitutional Advisor for the Overseas Territories, Mr. Michael Bradley; Ms. Susan Dickson, the legal advisor to the Foreign & Commonwealth Office; and Ms. Fiona Rumney, the desk officer at the FCO for the Cayman Islands and the British Virgin Islands.

Regrettably, the Leader of the Opposition and his colleagues, although meeting briefly with the FCO team on Tuesday afternoon 21<sup>st</sup> March, declined to discuss the Constitutional review process in any detail with them. Further, the Leader of the Opposition did not attend an earlier meeting that day with the FCO team, representatives of the Government and the Cayman Islands' Human Rights Committee held to discuss the proposed Human Rights Chapter.

I should say in fairness, however, that one Member of the Opposition did eventually turn up for that meeting, albeit more than an hour late. However, late Tuesday afternoon—

**Mrs. Juliana Y. O'Connor-Connolly:** Madam Speaker?

**The Speaker:** First Elected Member for the district of Cayman Brac and Little Cayman.

**Mrs. Juliana Y. O'Connor-Connolly:** I am just seeking some guidance on this. If a Minister of Government is making a statement that certainly relates to me and is not correct, could you guide me as to whether I should just ask it under Standing Order, I think, 32, I can ask brief questions? Thank you.

**The Speaker:** Yes, Honourable Member. Under Standing Order 32 you have the right to ask questions for clarification, and I will allow that.

Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker.

However, late Tuesday afternoon the Leader of the Opposition hosted a press conference during which he was critical of the Government and suggested that the visit was a waste of time and money since the Government was not ready to negotiate with the FCO team. In addition to the press release issued yesterday by the Governor's office regarding the visit of the team, in light of the comments made in the media by the Leader of the Opposition, it is essential that the Government makes clear what has transpired and what is planned now that the Constitutional modernisation process has been restarted.

Madam Speaker, in October of last year while attending the Overseas Territories Consultative Committee meetings in London, I indicated to Messrs. Hendry and Bradley that the Government wished to restart the constitutional review process which had been aborted by the UDP Government in February 2004. We agreed that the process should be restarted by initial exploratory discussions as much water had flowed under the bridge since the talks, which had been held at Lancaster House in London, in December 2002. There had been the infamous Eurobank trial, Hurricane Ivan, and a change in government to name a few significant events. For our part we believe that the draft constitution published in February 2003 is a good starting point, but that it must be considered again in light of all that has transpired since it was prepared.

I should remind the Leader of the Opposition that, unlike the case when the UDP held the reins, this Government has a clear mandate for constitutional modernisation having set out our position in considerable detail on page 34 of our Manifesto—the "red book" as he calls it—and having been elected with an overwhelming majority.

We are entirely committed to the consultative process and ultimately to holding a referendum on the new Constitution. This has always been our position and this is set out clearly and unequivocally in the PPM Manifesto, again on page 34. We intend to commence that consultative process shortly, now that the exploratory discussions with the FCO have been concluded.

The Leader of the Opposition wonders why the FCO team was invited here as we were not yet ready to negotiate the terms of the constitution. Let

me explain why. While these are perhaps alien concepts to the Leader of the Opposition, consultation and people participation are fundamental values of the People's Progressive Movement and this Government. We intend to consult widely and to be able to discuss the proposed new constitution from an informed position. In order to ensure that the consultation process is truly meaningful we took the opportunity provided by these talks to explore with the FCO what constitutional provisions may be possible. In fact, we found the talks very, very useful.

I hope that I am wrong, but I foresee that it will be very difficult for the Leader of the Opposition and his team to properly consult with their constituents since they did not use the opportunity also afforded them to seek to ascertain from the FCO what is possible and what is not. In that respect, I believe that they have done their constituents a grave disservice.

As I have said, we intend to consult widely and, once that process is complete, to then proceed to the negotiation stage for a new constitution with the United Kingdom. Our negotiations will be based on the results of the consultative process. I do hope that the Opposition will not also opt out of that stage as they have done with these initial exploratory talks. The Opposition has a very important role to play—we know that, we were once there—in developing our new constitution and the people of this country are entitled to the benefit of their views and their assistance in the process. I do hope we can rely on the Leader of the Opposition and his team to begin to participate in this very important process.

Once the negotiation stage is successfully completed, we intend that the resulting draft constitution will be published and widely discussed. Then in due course a referendum will be held to determine whether it is acceptable to the people of the Cayman Islands. This we have committed to in our Manifesto, and this we will do. The FCO team indicated that the United Kingdom Government is happy with this proposed process to obtain a modernised Constitution for the Islands.

Madam Speaker, as most people will recall, the PPM, while in the Opposition, fought many a pitched battle with the now Leader of the Opposition and the UDP Government to ensure that the people of this country had an opportunity to participate in shaping our new constitution. Indeed, the present Minister of Education and I were suspended from service in this honourable Legislative Assembly as a result of our efforts to ensure that a referendum motion was brought to the floor of this House.

You will recall, Madam Speaker that you seconded that Motion.

Additionally, the PPM participated in a March held by the People for Referendum which sought to delay the debate by this House on the Constitutional Commissioners' Report until a referendum had been held.

I remind this honourable House and the listening public of these events because I wish to make it absolutely clear that the PPM has a proud history of seeking consultation and insisting on a referendum before important constitutional change. That is still our position now that we are the Government, and the country need not worry that a Constitution is going to be developed in secret and then rammed down its throat—as had been threatened by the previous Government.

Under this PPM Government, there will be widespread consultation and, ultimately, the country will be given the opportunity to say Yea or Nay to the proposed constitution by way of referendum.

Madam Speaker, I trust that this statement will serve to dispel any fears that the unfortunate comments made by the Leader of the Opposition may have raised, and that it will also serve to convince that honourable gentleman of the error of his ways.

Thank You,

**The Speaker:** First Elected Member for the district of Cayman Brac and Little Cayman.

### Short Questions—Standing Order 32

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you, Madam Speaker. I believe that the Honourable Leader of the Opposition wanted to ask a question and with your kind permission, I give way to him.

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

**Hon. W. McKeeva Bush:** Madam Speaker, much of this is fluff, and it would have been good if we had gotten a position earlier. I want to enquire from the esteemed Leader of Government Business in what way did we secretly try to change the Constitution.

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I have to admit to you that I do not understand the question. If the Leader of the Opposition would make it absolutely clear what he is looking for as an answer I would certainly be happy to accommodate him.

**Hon. W. McKeeva Bush:** Madam Speaker, the Minister just read a statement. It was nearly the closing paragraph where he says that "the Government and the country need not worry that a Constitution is going to be developed in secret and then rammed down its throat—as had been threatened by the previous Government."

**The Speaker:** Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I did not say anything about changing the Constitution in secret but if I am able to understand what the Member is trying to seek, what I am referring to was the way in which the matter was handled when we were pushing forward for a referendum and there moves afoot by the Government of the day to go through the process in a manner that we thought at the time did not allow for enough people participation where they were trying to get the process completed without a referendum.

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

**Hon. W. McKeever Bush:** I still have not heard and seen any proof as to where we were trying to develop a Constitution in secret, because the Member and the House know that is not true. He might say that we had arguments on the referendum issue, but, certainly, we did not do anything that was not brought to the public's knowledge.

Now, Madam Speaker, there are numerous inaccuracies that deserve to be answered, but I would crave the indulgence to make a statement or explanation on it.

**The Speaker:** First Elected Member for Cayman Brac and Little Cayman.

**Hon. W. McKeever Bush:** Of course not!

**Mrs. Juliana Y. O'Connor-Connolly:** Thank you Madam Speaker, I do have a question.

**Hon. W. McKeever Bush:** Somebody else wrote this for you. I can't talk with—

**The Speaker:** Go ahead, First Elected Member for Cayman Brac and Little Cayman, if your voice can be heard above the noise.

**Mrs. Juliana Y. O'Connor-Connolly:** I will attempt it. Thank you, Ma'am.

Madam Speaker, the Honourable Leader of Government Business has said that he should say in fairness that one Member of the Opposition did eventually turn up for that meeting albeit more than one hour late.

I would wish him to confirm the following comment, if he is in a position to so do, that that one Member of the Opposition is in the person of myself. I received a telephone call from the Deputy Clerk at 10 minutes past 10 am on the said morning of the meeting—being the first intimation of the meeting, the venue and the time. I showed up within thirty minutes being the time for me to prepare, come from Prospect and attend the meeting.

I wonder if the Honourable Leader of Government Business, since he has been so proficiently informed as to what transpired in the meeting that he himself was not present [at], when will he tell the

country what the six pages of amendments to the Human Rights will entail.

**The Speaker:** Honourable Leader of Government Business, for the Deputy Clerk, who was instructed to call the First Elected Member of Cayman Brac and Little Cayman . . . the Deputy Clerk had to receive instructions from someone to do that because we had nothing to do with the meetings that were held in the Legislative Department.

Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Madam Speaker, I was not at that meeting as Cabinet was being held, the meeting was chaired by the Minister of Education—

**Hon. W. McKeever Bush:** A joke!

**Hon. D. Kurt Tibbetts:** —who has informed me and as I said in the statement, in fairness, the person that I was speaking about in the statement was the First Elected Member from Cayman Brac and Little Cayman and I am told that she actually did very well, given the very short notice that she had. However, I am also informed that the Opposition was supposed to have two Members attend the meeting.

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

**Hon. W. McKeever Bush:** Madam Speaker, I really need to explain a matter. It was raised why only one of us was in attendance, that came out in the Member's statement. I will be brief.

Madam Speaker, the Governor informed me that there was going to be these talks. I did not know where they were going to be, and that was by word of mouth. Down at the Governor's residence (at the cocktail party, I guess we would call it) I said to the FCO officials, in the presence of the First Elected Member for Cayman Brac and Little Cayman, Mrs. O'Connor-Connolly, that I was going to ask her to come, she being the legal mind in the Legislative group. But there was a question as to the time because we did not know the time. I did not receive any information; I did receive a written letter from His Excellency the Governor which set out the time being 9.30 am to 12.30 pm on Tuesday. I got the time mixed up. I thought it was yesterday morning that they were going to have this human rights meeting.

Madam Speaker, I was not going. It was not our intention to send anyone other than the First Elected Member for Cayman Brac and Little Cayman who is a lawyer. I intimated that to the officials at the Governor's residence.

It all comes about because of the mix-up in the time. I did not receive this letter until yesterday, in fact (my wife got the letter) from His Excellency's Personal Assistant which was stamped March 20<sup>th</sup>, and I did not get it until yesterday in the mail. They put it in the mail.

**The Speaker:** Honourable Leader [of the Opposition], in protection of the Deputy Clerk who called the First Elected Member for Cayman Brac and Little Cayman, did she do this on your instruction that the First Elected Member for Cayman Brac and Little Cayman was supposed to be at that meeting?

**Hon. W. McKeeva Bush:** Sorry, I did not get that.

**The Speaker:** The Deputy Clerk called the First Elected Member for Cayman Brac and Little Cayman. Was this done on your instruction that she was supposed to be the representative of the Opposition Party at that meeting?

**Hon. W. McKeeva Bush:** Yes, but when they called me I told them that I was not going to attend (there was a mix-up in the time) but I would ask the First Elected Member for Cayman Brac and Little Cayman to attend.

Bad leadership, but I will not tell any lies! I think that this is good leadership, and do you know what I am going to do? I am going to lay on the Table what was sent to me on the Draft Constitution of the Cayman Islands – Fundamental Rights and Freedoms of the People.

If the Serjeant would take this, I will lay it on the Table of the House.

**The Speaker:** Proceedings will be suspended for fifteen minutes.

**Proceedings suspended at 3.49 pm**

**Proceedings resumed at 4.11 pm**

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

Before I move to the next order on today's Order Paper, I did ask for a meeting with the Honourable Leader of Government Business and the Honourable Leader of the Opposition, but unfortunately the Honourable Leader of the Opposition did not show up.

I have in my hand a paper that the Honourable Leader of the Opposition just laid, but I do not have a clue where it came from, what it is about, if it is a confidential document, or otherwise. Therefore, I cannot order that it be laid on the Table of this honourable House, as there was no discussion before this House about fundamental rights and freedoms of the individual.

Madam Clerk.

*[Inaudible comment]*

## GOVERNMENT BUSINESS

### BILLS

#### SECOND READINGS

##### The Traffic (Amendment) Bill, 2006

**The Speaker:** I call on the Honourable Minister responsible for Communication, Works and Infrastructure to continue his debate.

I would advise the press, if they take it upon themselves to publish this document, they should first inquire as to whether it is a confidential document as it has not been laid on the Table of this House.

Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. W. McKeeva Bush:** Madam Speaker, I crave your indulgence.

**The Speaker:** I have no more time for indulgence. I requested a meeting in my office and you did not have the respect for the Speaker to attend that meeting.

Honourable Minister responsible for Communications—

**Hon. W. McKeeva Bush:** Madam Speaker, please.

The public needs to know what happened here.

**The Speaker:**—Works and Infrastructure.

**Hon. W. McKeeva Bush:** Madam Speaker, I could not come to—

**Hon. V. Arden McLean:** Thank you, Madam Speaker. I—

**Hon. W. McKeeva Bush:**—that meeting because I had just got in there. I had just been told by the Serjeant—

**Hon. V. Arden McLean:** Madam Speaker, we need to decide here whether it is me speaking or the Leader of the Opposition.

Oh, he is sitting down now.

Madam Speaker, thank you.

**Hon. W. McKeeva Bush:** I am going to get a motion and put on you because that is how—

**The Speaker:** You can bring a vote of no confidence in me.

**Hon. V. Arden McLean:** Now that we—

*[Inaudible comments by Honourable Leader of the Opposition]*

**The Speaker:** It matters not to me whatsoever.

*[Inaudible comments by Honourable Leader of the Opposition]*

**The Speaker:** You must have respect.

*[Inaudible comments by Honourable Leader of the Opposition]*

**The Speaker:** You must have respect. You do not have respect for yourself.

*[Inaudible comments by Honourable Leader of the Opposition]*

**The Speaker:** Minister of Communications, please continue.

**Hon. W. McKeeva Bush:** You are too biased!

**Hon. V. Arden McLean:** Madam Speaker, now that the controversy is over for the day, I hope my little Bill can get safe passage through this honourable House.

**Hon. W. McKeeva Bush:** That is what is wrong with you, you are too biased!

**Hon. V. Arden McLean:** Madam Speaker, when we took the adjournment—

**Hon. W. McKeeva Bush:** You ask me in five minutes and then expect me to get to you?

**Hon. V. Arden McLean:** Madam Speaker, I cannot hear myself talking. The Leader of the Opposition is making a little bit too much noise over on that side. I do not know if he is talking to himself or what, but. . .

**Hon. W. McKeeva Bush:** No, I am talking to the Speaker and I want her to answer!

**Hon. V. Arden McLean:** Madam Speaker, when we took the adjournment on Friday, I was presenting the amendments to the Traffic (Amendment) Bill, 2006. I had just completed clause 8—

*[Inaudible comments by Honourable Leader of the Opposition]*

**Hon. V. Arden McLean:** —which is an amendment to section 52, which was the appointment of vehicle inspectors. I will endeavour to get through the remainder of the amendments in short order.

Madam Speaker, clause 9 of the Bill seeks to amend section 55 of the principal Law, which is annual inspection of vehicles. The Director of the Licensing Department has for some time been extremely concerned and staff has been put out by the fact that the Law only makes provisions for them to inspect

vehicles once that year has expired. Thus, all motor vehicle owners will come to get an inspection on the particular day that their inspection expires.

Now, what we are attempting to do here is to delete the marginal note and substitute it with the words “Inspection of vehicles” and in subsection (1), by deleting the words “within twelve months from the last inspection of that vehicle under this Part” and substituting the words “before the due date of renewal of the licence”.

What the Director and staff have experienced is that there are a number of people who would like to inspect their vehicles prior to the date that the inspection expires. However, under the Law they are not allowed to give that grace period for those people who would like to do that, and the people have already paid for that. Say if they came a month (30 days) in advance, the people have already paid for that 30 days but they were not allowed to do that. If one was to come and inspect their vehicle 30 days in advance, then they would not be given credit and then the vehicle would be licensed from the day that they came to the office.

We are trying to change that in order to assist not only the general public, there may be circumstances where one is going off on vacation and will not be here on the due date of the expiration of the licence. So if one comes in now under the amendment the staff will be able to inspect that vehicle prior to that day. Remember, Madam Speaker, we no longer have the grace periods that we used to have which is one month. They would be given credit for that month.

For instance, if the inspection expired on 31<sup>st</sup> of December and the person came in, currently, on 20<sup>th</sup> November to try and get it done, they would inspect it but it would be until 20<sup>th</sup> of the next November, it would not be until 31<sup>st</sup> December of the next year. So this amendment will effectively change that and allow the Director to inspect that vehicle and give credit for that one month so they could put an expiry date on the next inspection of 31<sup>st</sup> December as opposed to 28<sup>th</sup> November of the following year.

Madam Speaker, in clause 10 we are proposing that the principal Law be amended in section 71 “by repealing subsection (2) and substituting the following: “(2) Whoever is guilty of an offence under subsection (1) is liable on summary conviction –

- (a) on a first offence, to a fine of one thousand dollars and to imprisonment for six months;
- (b) on a second or subsequent offence, to a fine of two thousand dollars and to imprisonment for twelve months,

and a person convicted of an offence against this section shall, unless the court for special reasons thinks fit to order a longer period of disqualification, be disqualified for a period of twelve months from the date of conviction or the expiry of any sentence of imprisonment, as the court may order, from holding or obtaining a driver’s licence or driving any vehicle.”

Now, Madam Speaker, the reason we are seeking this amendment is that under [section] 71 currently in the principal Law, somewhere along the way the Law . . . as I, and I believe most people in this country understood, is that once you were caught under the influence of alcohol (it is called a DWI, driving while intoxicated) and you surpass the limit set, which is .01, you automatically lost your licence providing you were convicted. Somewhere in the space of time that was changed, and now the court has the discretion to do it for one year or less for that matter.

We are trying to bring back what the Law said initially, which is that you will be disqualified from driving a motor vehicle if you are convicted of driving while intoxicated, thus the change to "shall".

"[A]nd a person convicted of an offence against this section shall, unless the court for special reasons thinks fit to order a longer period of disqualification, be disqualified for a period of twelve months from the date of conviction or the expiry of any sentence of imprisonment, as the court may order, from holding or obtaining a driver's licence or driving any vehicle"; and by inserting after subsection (2) the following subsections –

"(2A) Where under subsection (2) a disqualification is ordered to begin upon the expiry of the sentence of imprisonment, the order shall be deemed to include a disqualification from driving any vehicle during any period when the person convicted is released temporarily before the expiry of his sentence under any Law or is for any other reason not in prison, and the court making the order shall, at the time of sentencing, bring the provisions of this subsection to the attention of the person convicted.

"(2B) For purposes of clarification it is declared that no order made under subsection (2) shall be held to be invalid or incomplete on the grounds that the court did not bring the provisions of subsection (2A) to the attention of the person convicted."

Madam Speaker, there have been instances where convicted persons have a charge pending of DWI, and while they are serving their sentence they go to court to face that charge and are convicted. However, if they stay in prison for a period longer than the disqualification, it will apply once the person comes out of prison. It will not apply to the prison term during the prison term that is being served.

Clause 11 proposes to amend the principal Law in section 72(3) by deleting the word "may" and substituting the word "shall". This is in regard to driving or being in charge of a motor vehicle while under the influence of alcohol and drugs and causing death.

Let me read section 72 in the principal Law so that we get a better understanding of it. **"72. (1) Whoever –**

**(a) drives or attempts to drive a motor vehicle on a road; or**

**(b) or is in charge of a motor vehicle on a road,**

**where that person –**

**(i) is unfit to drive through the consumption of alcohol or drugs; or**

**(ii) has consumed alcohol in such a quantity that the proportion of alcohol in that person's breath, blood or urine exceeds the prescribed limit,**

**and thereby causes the death of another person, is guilty of an offence.**

**"(2) Whoever is guilty of an offence under subsection (1) is liable on conviction on indictment to imprisonment for ten years and shall be disqualified from driving for a period of five years or such longer period as the Court may order."**

This is the operative subsection, Madam Speaker: **"(3) A constable in uniform may arrest without a warrant a person if he has reasonable cause to suspect that that person is or has been committing an offence under this section."** That is, if they are drunk and cause an accident which resulted in death.

Now, Madam Speaker, let me explain because I suspect that this one will attract the little controversy. We in this country have heard so many times the speculation as to whether or not someone was drunk, under the influence of alcohol, in an accident. They created an accident and some person died as a result and the police did not check them for alcohol. The police, in their discretion, had no reason to do it but it has always created some controversy in the country. I can think of many cases where it is still somewhere in the air that *one was drunk and nobody checked them*.

Madam Speaker, what we are attempting to do here is to take the discretion away from the police Officer: one, to protect that police officer; two, to put at ease the minds of the loved ones who are left behind.

#### **Hour of Interruption—4.30 pm**

**The Speaker:** Honourable Minister, we have passed the hour of 4.30. I will entertain a motion for the suspension of Standing Order 10(2).

#### **Suspension of Standing Order 10(2)**

**Hon. V. Arden McLean:** Madam Speaker, I beg to move the suspension of the relevant Standing Order in order that we go beyond the hour of 4.30.

**The Speaker:** The question is that Standing Order 10(2) be suspended in order that Parliament can proceed beyond the hour of 4.30 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 responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker. Madam Speaker, the Government believes that it is necessary for us to remove any doubt that may have been caused by such unfortunate circumstances as to whether or not the individual was intoxicated. It will remove the stigma on the police force as well, Madam Speaker, because it creates some degree of animosity between the general public and the police force. The police force, I believe quite rightly and judiciously, use their discretion as afforded them in the Law. Maybe they do not test the person, but who is to say whether the person was drunk or not? This will clear the air, and all and sundry will know. In particular, it will arm the courts and there will be no question in the courts, particularly if and when that person is charged and comes before the courts in this country. The evidence from that test, be it positive or negative, will be used in the court of law for or against anyone, the defendant, the accused, whichever we wish to call them.

Madam Speaker, I have a good friend who once lost a son and that good friend of mine continues to grieve up until this day and questions whether or not the driver of the other car was intoxicated. He will never know. I am not doing this particularly for him; it is for all of those. I hope that if this gets passage through this honourable House it will bring some degree of closure that no other loved one will have to question whenever, God forbid, something of this nature happens.

Madam Speaker, clause 12 seeks to amend section 73 of the principal Law. Now, not only during death must we have clear evidence as to whether or not one is operating a vehicle under the influence of alcohol. Clause 12 seeks to amend the principal Law in section 73 by inserting at the end of subsection (2) the words "but shall do so where, in the opinion of the constable, death or injury requiring medical attention has resulted"; and by inserting after subsection (7) the following subsection: "(8) In this section "learner driver" includes a person who holds a restricted driving licence."

Now, Madam Speaker, we have heard of instances where one may get injured in an accident and requires medical attention. I know of instances where people are immobilised for the rest of their lives through some injury. In a number of instances, insurance does not pay because there is no proof that anyone was at fault, or they cannot prove who was at fault and loved ones have to take care of those individuals for the rest of their lives. It is on a number of occasions said that the individual driving the vehicle was under the influence.

Under 73(1) of the principal Law it says "Where a constable in uniform has reasonable cause to suspect-

- (a) that a person who is supervising a learner driver of a motor vehicle on a road has consumed alcohol and the learner driver, while under that person's supervisions, has committed a traffic offence while the vehicle was in motion;
- (b) that a person driving or attempting to drive or who is in charge of a motor vehicle on a road has consumed alcohol and has committed a traffic offence while the vehicle was in motion;

that constable may, subject to section 75, require that person to provide a specimen of breath for a breath test by a portable alcohol-in-breath measuring device."

Now, Madam Speaker, what we are attempting at the end of subsection (2) "Where an accident occurs owing to the presence of a motor vehicle on a road, a constable may, subject to section 75, require any person whom he has reasonable cause to believe was driving, was in charge of the vehicle or was supervising a learner driver of the vehicle at the time of the accident, to provide a specimen of breath for a breath test by a portable alcohol-in-breath measuring device" is to add on at the end "but shall do so where in the opinion of the constable-

- (a) death; or
- (b) injury requiring medical attention has resulted."

Madam Speaker, it tidies up and coincides with the previous amendment proposed for section 72(3).

Then we are adding on another section 8 "In this section learner driver includes a person who is a restricted driving licence" which, as we recall in 2005 we made amendments to the Traffic Law which have not yet come into law because of the regulations and other issues relating to getting the computer system in place, which we hope to have in place shortly.

Madam Speaker, clause 13 seeks to amend the principal Law by inserting after section 73 the following section which will affect the learner driver: "73A. (1) Where a constable in uniform has reasonable cause to suspect-

- (a) that a person who is supervising a learner driver of a motor vehicle on a road has taken drugs and the learner driver, while under that person's supervision, has committed a traffic offence while the vehicle was in motion;
- (b) that a person driving or attempting to drive or who is in charge of a motor vehicle on a road has taken drugs and has committed a traffic offence while the vehicle was in motion;



- (c) that a person has been driving or attempting to drive or has been in charge of a motor vehicle on a road or has been supervising a learner driver of a vehicle on a road after taking drugs;
- (d) that a person has been driving or attempting to drive or has been in charge of a motor vehicle on a road and has committed a traffic offence while the vehicle was in motion; or
- (e) that a person is supervising a learner driver of a motor vehicle on a road and that the learner driver, while under the person's supervision, has committed a traffic offence while the vehicle was in motion,

that constable may, subject to section 75, require that person to provide a specimen of blood or urine under section 74." Section 74 is about provisions of specimens for analysis, and that is particularly if they are at the hospital and the likes.

"(2) Where an accident occurs owing to the presence of a motor vehicle on a road, a constable may, subject to section 75, require any person whom he has reasonable cause to believe was driving, was in charge of the vehicle or was supervising a learner driver of the vehicle at the time of the accident, to provide a specimen of blood or urine under section 74 but shall do so when there is –

- (a) death; or
- (b) injury requiring medical attention."

Madam Speaker, there is no "maybe" or "perhaps." Whenever medical attention is required or death has resulted, then they must take a sample for testing to determine whether the driver was under the influence of drugs or alcohol.

Section (3), "For the purposes of clarification, it is declared that specimens of blood or urine shall be given only in accordance with section 74" where if the doctor is requested and he does not see fit to have it done then the doctor will make that determination.

Clause 14 seeks to amend the principal Law in section 74(1) by deleting the words "has been arrested under section 71, 72 or 73" and substituting the words "has been arrested under section 71, 72, 73, or 73A [which is the new section] or is being investigated by a constable with a view to determining whether he should be charged under any of those sections."

[Clause] 15 of the amendments seeks to amend section 83(1) by deleting "or 82" and substituting " , 82, 98 or 108"."

[Clause] 16 of the amendment—

**An Hon. Member:** Bill.

**Hon. Arden McLean:** —seeks to insert section 104A, which is [private] commercial entities enforcing parking signs: "104A. (1) The Commissioner may, subject to such terms and conditions as the Governor in Cabinet may by regulation prescribe, appoint traffic

wardens for the purposes of this Law and, without limiting the generality of this power, may appoint as traffic wardens persons employed by, or otherwise acting on behalf of, private commercial entities to be traffic wardens for purposes only of performing duties on the premises of the commercial entities concerned.

"(2) Without limiting the generality of the power conferred by subsection (1), traffic wardens may immobilize or remove vehicles parked contrary to this Law.

"(3) The regulations prescribed under subsection (1) may authorise traffic wardens to levy fees commensurate with the cost of immobilizing or removing vehicles, which fees shall be retained by way of reimbursement."

Now, Madam Speaker, we believe that the Commissioner of Police should have the right to appoint traffic wardens not only from a commercial entity's perspective but also for the purposes of directing traffic in the country on the whole. He should be able to hire, appoint, traffic wardens from a commercial entity in order that we can affect proper traffic directions, particularly in George Town and traffic control.

It takes us years at times to train a police officer, and that is a lot of money invested from this country in the training of police officers. I believe they have some training periods of six months before they can even go out on the road and then it is years of training before they become totally proficient in the applications of the Law. Madam Speaker, I believe that is a waste of this country's resources to have police officers out in the middle of George Town directing traffic.

At a time when there is an increase in crime, good old policing needs to be returned. If we have the police in the middle of the town, directing vehicular and pedestrian traffic, they cannot be out there catching burglaries and what have you, Madam Speaker. It takes a very short time to learn how to direct traffic. Even a dunce like me could learn how to direct traffic in a short period of time and write tickets.

*[Inaudible comment]*

**Hon. V. Arden McLean:** So, Madam Speaker, we are giving the Commissioner of Police authority to be able to appoint them, train them and it certainly will not take the kind of investment it takes for a police officer.

*[Inaudible comment]*

**Hon. V. Arden McLean:** Madam Speaker, that covers clause 16.

Clause 17 of the [Bill] seeks to amend section 108 of the principal Law by inserting after subsection (4) the following subsection: "(4A.) The Director may issue temporary badges."

Madam Speaker, section 108 of the Law is "Disabled person's badge. **There shall be a badge of a prescribed form to be issued by the Director for motor vehicles driven by, or used for the car-**

**riage of, disabled persons; and subject to this section, the badge so issued for any motor vehicle or motor vehicles may be displayed on it or on any of them."**

Section (4) says, **"A badge issued under this section shall be displayed when the motor vehicle to which it relates is parked in a parking place designated for disabled persons and in such manner as may be prescribed."**

Now, Madam Speaker, in any jurisdiction we will have people who have sustained temporary disability. For instance, you may get someone who has a broken leg but they can walk nevertheless. So what we are seeking to do here is to for the Director to issue temporary badges. It may be only for three months, maybe for four months, maybe for six months as opposed to the permanent badges.

[Clause] 18 is only to validate the validation and saving of certain licences and licence plates, and [clause] 19 is the validation of collection of certain licence fees. [Clause] 20 is the previous and pending proceedings.

I do not propose to go into those, but I crave your indulgence, Madam Speaker, just to briefly speak on the Committee stage amendment that we are proposing.

We are proposing a Committee stage amendment, registration of plates, which seeks to insert in clause 3 of the amending Bill the provision to allow the Director, where he cannot issue permanent licence plates, to issue temporary ones. Now, Madam Speaker, there is no provision in the country for us to issue temporary licence plates, which is unfortunate. Many of us may see where they have run out of the private plates (the yellow ones). All of a sudden, because the Law says we cannot be on the road without a licence plate, they use designated plates such as for rental cars and the likes. So we are attempting to change that to allow the Director to issue temporary licence plates.

Another area in the Committee stage amendments will include giving the Director the ability to issue vehicle and driver's licences before the expiry date has reached. Madam Speaker, under the current Law, one has to wait until the day one's driver's licence is expired on one's birthday before renewing it. You cannot go to the place two weeks in advance of that date and renew it; you have to wait until that date and then you do not have a grace period.

All these amendments, Madam Speaker, will assist the Director and his staff. Instead of having a flood of people all the time, there will be some flexibility where people can enter and leave as they so choose and assist us with human traffic within the Licensing Department.

Madam Speaker, all of these amendments are in the spirit of bringing more efficiency and effectiveness to the vehicle licensing process, to assist with disabled persons, assist the Commissioner with the control of traffic in the country. I commend this Bill to

the honourable Members. I know there may be some that would like to see a few amendments. I am open to whatever Members see may be needed to make a few changes here or there. However, by and large, I believe that these amendments will assist this country and make it a little more efficient.

The people have called for more efficiency at the Licensing Department. As I said, when I commenced the introduction of this Bill, all cannot be blamed on the staff, the Director, and Deputy Director. Much of it had to do with the Law.

One of the things I have done, I have said to the Director, Mr. Dixon, whatever is not working let us fix it. The more efficiency we get there the better off it is going to be for the staff and for the people of this country. Madam Speaker, this is my first attempt at trying to do that, and I am sure there will be others because I recently had representation from the car rental agencies. I have taken on their recommendations and we are currently looking to see how we can affect them in Law to allow us to become a little more efficient in that regard as well because it also will assist the private vehicle owner.

Madam Speaker, with that I commend these amendments to my colleagues and ask for their support.

Thank you, Madam Speaker.

**The Speaker:** Before I call on any other Member who wishes to speak, I would like to bring to the attention of the honourable House Standing Order 48(1), **"The Member moving the Second Reading of a Bill shall state the object of the Bill and reasons for its introduction. When a motion for the Second Reading of a Bill has been made and seconded there may be a debate on the general merits and principles of the Bill."**

Honourable Members, can we debate in light of this Standing Order? Does any other Member wish to speak?

Second Elected Member for the district of West Bay.

**Mr. Rolston M. Anglin:** Thank you, Madam Speaker.

Madam Speaker, before offering a few comments on this Bill, I would like to just offer my congratulations to the Agriculture Department and Society and the Ministry of Agriculture for their awards ceremony last night because often times these things go and there are press releases, et cetera, but we, down here, do not necessarily applaud people for good work.

I would like to extend my congratulations to the Minister for taking the keen interest that he seems to be taking in Agriculture because it is a critically important area in the country. I would like to also congratulate all of those who participated and all those, Madam Speaker, who won prizes. I will embarrass my colleague, the First Elected Member for Cayman Brac and Little Cayman because I know that she also won

a prize last night, I think it was for most improved farmer in Cayman Brac. I see her frowning at me, but nonetheless, I offer her my congratulations.

*[Inaudible comment]*

**The Speaker:** She did not know until I told her.

*[Laughter]*

**Mr. Rolston M. Anglin:** Madam Speaker, I hear the Minister who just sat down talking about the ground supplies that he has received from her and attesting to her farming skills.

*[Inaudible comment]*

**Mr. Rolston M. Anglin:** Madam Speaker, this Bill does encapsulate some very necessary changes in the Traffic Law. I am happy with the way the Minister wound up his contribution, recognising himself that, indeed, there perhaps is a lot more work to be done on this specific piece of legislation to make it as user-friendly as possible for all of our various constituents within the country whether it be the individual driver or the company who operates within that industry.

Madam Speaker, in general terms, this amendment Bill does a couple of things. Firstly, it makes the provision of driver's licences more efficient, it makes the provision of registration of vehicles more efficient; most importantly, it also deals with some significant flaws as they relate to breath tests and vehicular accidents, in particular, serious vehicular accidents.

Madam Speaker, the Minister has put it squarely. There has been much rancor throughout this small community for many years as it relates to certain accidents. I start my debate at that point because I do believe that in all of this that is perhaps the most significant change that this Bill seeks to effect.

We have all heard people complain, family members in particular, of persons who were either seriously injured or who died in car accidents. Those family members complain that they do not believe any justice was achieved as it related to the other party in the car accident. It mainly revolved around discretion that the Law provides to the constables at the scene.

Now, Madam Speaker, I think it is fair to say that, in most instances when legislation is crafted, it seeks to not try to be overly burdensome in specifying point-for-point what has to happen under every scenario because, inevitably, when you start to do that you do miss certain scenarios. So legislation, by its nature, seeks to provide discretion for those who have to operate under the Law, those who have to actually carry out specific pieces of legislation.

However, the Minister hit the nail on the head when he said that while this takes away discretion from constables in certain instances, it does do an important job in that it protects the Royal Cayman Is-

lands Police from criticism. Much criticism has been laid at the feet of the police by persons in the community revolving around certain automobile accidents. People have said that the reason individuals may not have been tested for alcohol was because of who they were; that is, what position they hold in the community.

I believe that in all instances, for the Royal Cayman Islands Police to be able to effectively carry out its mandate it has to always enjoy as high as possible the confidence and support of the public. So because that area of the Law, small as it may seem, has caused an erosion of confidence by certain sectors; it causes an unnecessary and unhelpful friction between the persons who feel aggrieved in those situations, especially the surviving family members toward the police. They start to not believe in the police and believe that justice does not get meted out in the country in a fair and equitable way, but it is only carried out in areas where the person involved may not have some sort of influence or relationship.

Madam Speaker, I can remember discussing the potential of this particular amendment with the former Commissioner of Police who initially had some reservations. However, when that whole scenario was painted in terms of this being a tool to protect the integrity of his force and his officers, he agreed that indeed would be something that would be beneficial. I think, Madam Speaker, that there will be many families in our small community who will see this as a positive change. Even though it will not change the outcome of their particular scenarios, they will see it as positive because they will know and feel and be comforted that other families in the future would not have to go through what they had to endure, especially at a time when they lose their loved one.

Madam Speaker, I will revert very quickly to a number of provisions in this amendment Bill and offer a couple of quick comments and questions.

Firstly, Madam Speaker, in clause 7, which deals with the duration of driver's licences, this amendment seeks to provide that the Director may, in his discretion, issue a driver's licence for a period exceeding three years but not exceeding five years. As I thought it through, it crossed my mind that this might not create some of the same types of controversies and questions as we are eliminating in some of the other clauses. For me, I personally would much rather have a situation where the Director—and whoever the Director is it matters not to me—is not open for criticism by persons when they go to renew their licence and one person may be for four years and somebody else may be for five years. Perhaps it may be a very good reason for it being crafted this way.

I flag it up and I ask the Honourable Minister, if that is what is being sought. He might want to consider whether or not we simply increase the term that the driver's licence would be for (perhaps for five years). In that way, you do not have those possibilities of persons going around claiming favouritism and,

rumours that spread (as we all know in a lot of instances) very unfairly going at the character of individuals within the country.

Madam Speaker, in regard to the proposed section that deals with traffic wardens, I wonder if the Minister could elaborate a bit. I listened carefully to what he said and the one point that jumped out in my mind was [in reference] to police officers being down at the Port on cruise ship days. I wonder if he could elaborate, though, as to what else is envisioned that we might use traffic wardens for, or if that is the area that right now they would be principally used for, and as circumstances develop perhaps then we would use them in other areas. It occurred to me that there could potentially be other persons who would be covered in this. I have seen a number of signs at commercial properties these days saying that your vehicle can either be towed or your wheels clamped. I wondered whether it is envisioned that the persons who actually have to do those duties would go through this training and would be formally established as traffic wardens to be able to carry out those duties at those particular properties.

In a lot of instances I have seen what the commercial enterprises do is use their security officer to double duty, as it were, to carry out these functions. So is it that once this amendment Bill comes into force that they would automatically have to fall into that area? Or is it an area that the Commissioner needs to apply thought to and come up with various categories?

I wonder also, Madam Speaker, whether or not it is envisioned that there is going to be any sort of certification at the end of all of this for the persons involved. I presume that would be the case if they are going to be formally appointed a traffic warden.

Madam Speaker, in regard to disabled persons' badges, I have not seen in Cayman the badges that go to families that have young children. I know, certainly in travelling to Miami and other parts of the U.S., that is something you often see. Right up front, near a business establishment, you see the handicapped parking, but you also see the sign with the carriage for the person who has a small child.

I certainly know that in a lot of instances in Cayman people tend to have their children in a relatively compact period of time, so at any one time you usually will have one or two small children. I just see this as a way to really assist families, especially mothers, in the country, if some thought would be given to that whole scenario and trying to make sure that they also get this type of treatment. Certainly, they should be allowed to park as close as possible to business establishments because in traversing busy parking lots with one and two children, especially if you have a shopping cart, is not the easiest thing. We know how people drive these days, even with speed humps.

Truthfully, Madam Speaker, when one thinks about it, you do not see the disabled parking spots utilised very often in Cayman, because we do not

have a lot of people in the country that utilise that. I think going down the route of trying to help families and mothers with the "Children On-board" ones, I think that would be one that would prove more beneficial actually to the wider community.

Madam Speaker, I have a question on clause 18(1) which says, "**Vehicle licences and licence plates that were issued purportedly under the Traffic Law (2003 Revision) or any regulations made thereunder, before the commencement of this Law are validated and are to be taken to have been validly issued.**" In reading that one automatically assumes that there would have been vehicle licences and licence plates that were issued outside the 2003 Law and this is now retroactive.

**The Speaker:** Handicapped licences.

**Mr. Rolston M. Anglin:** This applies only to handicapped licences?

*[Inaudible comment]*

**Mr. Rolston M. Anglin:** Okay.

Madam Speaker, two other very quick points.

In conversation with my colleague, the Third Elected Member for West Bay—who cannot be here with us today due to a family emergency—wanted me to ask the Minister as to the status of a motion that was passed during the previous legislative class (which we know has now fallen away). However, all Members of this particular House would also seek for the Minister [to] turn his mind back to that Private Member's Motion and the principles that it was advocating and see whether or not that is something that the Government might support. From the sounds of it, there more than likely will be another amending Bill coming in the near future since he is already speaking with the car rental agencies, et cetera.

The motion had to do with persons whose cars were "off the road". They were not working any longer but they did not turn in their plates, so if they ever sought to sell that car or go and turn the plates in—because a lot of people did not realise they should turn the plates in—they would then be slapped with a large backlog of fees for a car that was not in use, which is obviously outside the principle of vehicle licence fees. The principle is: for cars that are on the road you pay a fee for the privilege of having a car drive the road. I wonder if the Minister would not perhaps look at that and see what, if anything, might be done in that regard.

Madam Speaker, the last point I want to make, and I will quickly admit that this was one of those questions that I forgot to ask during the sitting; however, when I saw this Bill it came flooding back to me like a ton of bricks. The Traffic office in West Bay has been of great use to the whole Cayman community because it is not only West Bayers that use that. People come from all over the Island. People come

from East End, North Side, Boddin Town, George Town and West Bay to use that facility because there is more parking and you typically can get through a lot quicker down there.

When the Minister first started debate on this Bill he talked about spreading these throughout the districts. That, obviously, is a good idea. However, Madam Speaker, one frustration that has been in existence down there has to do with the camera that is there for taking the pictures for driver's licences. Madam Speaker, I cannot remember a time that I have gone there that the camera is working. People have called the talk shows, and it has been a real source of frustration. Now, what they do is, once you go there and you pay for your driver's licence, when you go to George Town you do not have to get in line, you simply present your receipt and they take your picture right away and, typically, you do not have to wait long. So from that perspective, if you were to believe in the saying *'all's well that ends well'* you would not worry about it. However, Madam Speaker, I do believe that it is something we need to look at and rectify and ensure that that facility is always up and running and, certainly, any downtime would be minimal.

I am not sure what the problem has been, truthfully Madam Speaker, over the years. All I know is that I went last month to renew my driver's licence, sure enough it was broken, had to get it fixed, and I know that the last time I did my driver's licence it was broken and most people that I know have that have gone there that is the same story they are given. I use that as a little bit of evidence to suggest to the Minister that, certainly, going to all the districts is important. However, we need to make sure that each of those depots are properly functional and self-sufficient so that the public is not frustrated, as it were. I know there is no legislation he can do. There is no amendment that we can do here to make sure the camera in West Bay is always working. However, I do believe it is an important point that needs to be rectified.

So, Madam Speaker, with those very brief comments, as I promised, we in the Opposition offer our support to this important Bill.

**The Speaker:** Does any other Member wish to speak? Third Elected Member for the District of George Town.

**Ms. Lucille D. Seymour:** Thank you very much, Madam Speaker.

First, let me congratulate the Honourable Minister for bringing such an important amendment to the Traffic Law.

I have two small points to make, and one is on the question of the parking space for the disabled. I wonder if the Minister would take into account that there are a lot of senior citizens that drive who are not disabled, but because of all the little ailments they are unable to walk very far. If they were able to get one of

these badges at the appropriate place, it would enhance their life.

I also thank the Honourable Minister for bringing in the aspect of traffic wardens. I believe this is very important, in particular, in a large metropolis like George Town, where there is a busy pedestrian way of life in the city. Too often people have complained that, first of all, we have the tourists who do not know where they are going and, secondly, people certainly violate a lot of the traffic rules in George Town, although sometimes just driving 15 miles an hour.

To me, the traffic wardens would play an important role, in particular, with our school children; they could help our school children. We have a lot of school children in George Town that walk from the high school to home and walk to the primary schools. If they are seen around the place, it certainly would help the school children to, one, abide by the rules and, two, walk safely into the city. So I am very happy that this is introduced.

It also would help with the flow of the tourists in the George Town area, in particular on the waterfront. Right now, as I think the Honourable Minister did say, there is a sort of waste of economies to use policemen for that, and I do agree with him. If we could get a different level of person and a level of job description to help people, the flow of traffic in the George Town area, in particular, where we have the tourist landing, I think that would be great.

Those are my two points, and I commend the Minister for that. Thank you.

**The Speaker:** Does any other Member wish to speak? If no other Member wishes to speak, does the Honourable Mover wish to exercise his right of reply?

**Hon. V. Arden McLean:** Thank you, Madam Speaker. Yes, I would. There are a couple of things but, first of all, let me thank all Members for their support, spoken and unspoken.

Madam Speaker, it is quite a day in my life when the first real substantial amendment to any Law that I bring to this honourable House gets such widespread support. However, there are a couple of things the Second Elected Member for West Bay asked that I would like to reply to.

The first thing the Second Elected Member for West Bay said was that I had obviously confirmed that there is much work to be done on the Traffic Law and he could not be closer to the truth. There is much work to be done on this Traffic Law to effect additional efficiency and effectiveness, not only in the department but within the country.

Madam Speaker, I can speak of one, in particular, which we can do through regulations. But when one goes to the Licensing Department now to license one vehicle, one leaves there with five pieces of paper. We need to bring a little more efficiency to that. I think one piece of paper can say exactly what we need off that vehicle. We need to address some of

the other traffic problems that this Law creates as well.

Certainly, Madam Speaker, the Second Elected Member for West Bay said that it needs to be made more user-friendly. That is my focus, and I thank him for echoing my unspoken thoughts.

Madam Speaker, he briefly touched on section 7 and said that he believed we should increase it from a three-year to a five-year period, that is, the driver's licence provision. Madam Speaker, the reason we did not do that was because we suspect there are people who would not be able to pay \$100 at the time of renewing their licence. We were trying to give those (who I believe a former Minister used to call the 'little man') the opportunity to maintain their three years. That is basically the only reason.

The driver's licences that are being issued now are good for up to ten years and in other places in the world licences are issued for ten years, but I do not know if we would want to do that in Cayman. If necessary, a little later on we can come back and change it, Madam Speaker. I will give that undertaking that if it seems worthwhile to change it to additional time, then, we will do that.

Now, Madam Speaker, the Second Elected Member for West Bay also spoke about the traffic wardens. So did the Third Elected Member for George Town. The Third Elected Member for George Town spoke about the wardens being able to assist our children across the road and tourists and the likes, and the Second Elected Member for West Bay spoke of whether or not we were going to use them in areas other than George Town, which I spoke to. Well, Madam Speaker, I envisaged that the Commissioner could alleviate so many problems with traffic wardens, for instance at the junction at Savannah. He could dispatch them there at 6 o'clock in the morning to direct the traffic. He could dispatch them down at Indies Suites right now where everybody is going through the short-cut, or long-cut, whatever they call it.

**An Hon. Member:** Long-cut?

**Hon. V. Arden McLean:** That is what I see those traffic wardens doing, Madam Speaker.

Like the Second Elected Member for West Bay said, he has seen it all over the world where traffic wardens are in their vests and they are not police officers. Right now along West Bay Road I have appealed to the public to stay on the main road. They are not doing that, they are doing the short cut. We could use traffic wardens there, we could use traffic wardens—and I also envisage traffic wardens being in their little tri-vehicle (or whatever it is called), the three-wheel ones that we see all over the world, and they go through out George Town proper and beyond writing tickets, traffic tickets, and the likes.

He asked also, Madam Speaker, about private parking lots with the fact that not many disabled

spaces are utilised nowadays—except by those who do not really need them! I agree with him on that one—and if we could extend that to families with young children. Madam Speaker, he did bring up a valid point and I will consult with the Minister for Planning because it is a planning issue really; my job is only to enforce it. However, I will consult with the Minister for Planning and we will certainly look on that and I give him the undertaking that I will.

His other comment, Madam Speaker, was that there is not a lot of use of the parking spaces. The Member is quite right, however, I am hoping that with the advent of being able to issue a temporary parking permit (with the successful passage of this Bill), then more people will request this privilege to park in those spaces. It is quite a task for someone who is now disabled to get a disabled designation, the plates and so on. Having discussions with the Director, we have discussed the fact that it is so difficult for one to get a disabled designation that we need to make it a little easier and we have that undertaking that that will happen.

Madam Speaker, I was trying to find the statistics on the number of disabled currently in the country. I believe it is less than 30. I believe it is somewhere around 15 or thereabouts.

Now, Madam Speaker, the Third Elected Member for George Town also asked if it could be extended to the older folks. Madam Speaker, that is exactly what I see the Director having the ability to issue temporary [permits] to those type of people, not necessarily handicapped but in the sense that we would say disabled. Madam Speaker, why is it that the older folks cannot get a little closer to the supermarket? I see kids that are in their older 20's and in their teen driving up and parking in these spots, and I believe that is what we need to do.

Madam Speaker, the Second Elected Member [for West Bay] spoke of what would happen with the wardens, such as at supermarkets, on commercial entities. Well, Madam Speaker, that is the provision where the Commissioner will be able to license those to allow them to police, so to speak, the parking lots. Certainly, I would not want to see us having to go in there, but if necessary, that is the reason why we changed the definition of "public place", in order so that when the police go there the police can arrest someone or whatever the case may be. Certainly, the Commissioner would have the ability to appoint maybe security guards, a company, as traffic wardens so that they could control the disabled parking spaces within these commercial entities.

He asked about training. I would like to think that certainly those the Commissioner would be training to do his traffic on the road, I would expect that they would be certified and I would have to consult with the Commissioner on whether he needs to certify those and commercial entities. Madam Speaker, one of the things I need to point out here is that I have had wide discussions with the Commissioner and the

Deputy Commissioner on all of these. As a matter of fact, I sent it to them for comment before coming here and they all supported it.

Madam Speaker, the Second Elected Member for West Bay also spoke about the camera in West Bay. I consulted with the Director, and he did confirm that we do not have a camera and it has been out for a few months in West Bay. Well, I do not know what "few months" means, Madam Speaker. Nevertheless, it has been out, and the computer department has been trying to get it up. I was totally unaware of that, Madam Speaker, I must tell you that. I can tell you I just said to him whatever it takes get it fixed. It needs to be fixed. Wherever it is we need to get it fixed. So I will follow up on that with the Director, and I do apologise on behalf of the department to the Members for West Bay, the Leader of the Opposition and the other Members.

The Second Elected Member for West Bay also spoke on the possibility of decentralising the Licensing Department. Yes, Madam Speaker, as a matter of fact, I commissioned the department (as I took over my responsibilities as a Minister) to look at decentralising the Licensing Department because one of my objectives is to move it out of the middle of George Town. However, we need one in town so it would have to be on the outskirts.

A week and a half ago, or thereabouts, they brought back a proposal. Unfortunately, Madam Speaker, a Project Definition Document (PDD) was developed by a project manager and public works, and while they did a fair job on it, it was not exactly where I believe that this should go. I thought we should have gone a little further out of town, and they are now looking at other locations just outside George Town. We were looking at areas on the eastern end, Madam Speaker, to service North Side and East End and Bodden Town, but the difficulty we are having there is that there is no place available. People propose places, but they are going to build on them; and we need ramps to inspect vehicles. I am hoping that we can, Madam Speaker, as I spoke in the introduction of this Bill, get garages in the interim to at least decentralise it and within the next couple of years move that place out of the middle of George Town and leave that building there specifically for the Police Department.

Madam Speaker, the Second Elected Member for West Bay also spoke on the motion that was brought sometime ago with persons' cars that were left off the road and, Madam Speaker, I can give him an undertaking that that is one we will be looking at when the next set of amendments come.

Madam Speaker, let me thank the draftsman for the hard work that he has put in, and the Director for all the hard work, and all the staff who contributed to the development of this Bill. All I did was tell them the ideas I had in my head and they did the rest of the work.

Again, I thank all honourable Members for their support and I look forward to the Committee stage where we can introduce the other section of those amendments.

Thank you, Madam Speaker.

**The Speaker:** The question is that a Bill shortly entitled the Traffic (Amendment) Bill, 2006 be given a second reading. All those in favour please say Aye. Those against, No.

**Ayes and Abstention** [*Mrs. Juliana O'Connor-Connolly*]

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

**Mrs. Juliana Y. O'Connor-Connolly:** Madam Speaker, may I have a division, please?

**The Speaker:** Madam Clerk.

#### Division No. 06/05

**Ayes: 11**

Hon. D. Kurt Tibbetts  
 Hon. Alden M. McLaughlin, Jr.  
 Hon. Anthony S. Eden  
 Hon. V. Arden McLean  
 Hon. Charles E. Clifford  
 Hon. George A. McCarthy  
 Hon. Samuel W. Bulgin  
 Hon. G. Kenneth Jefferson  
 Ms. Lucille D. Seymour  
 Mr. W. Alfonso Wright  
 Mr. Rolston M. Anglin

**Noes: 0**

**Abstention: 1**

Ms. Juliana Y. O'Connor-Connolly

**Absent: 5**

Mr. Osbourne V. Bodden  
 Mr. Moses Kirkconnell  
 Hon. W. McKeever Bush  
 Mr. Cline A. Glidden  
 Capt. A Eugene Ebanks

**The Clerk:** Eleven Ayes, one Abstention.

**The Speaker:** The result of the division: eleven Ayes, one Abstention. The Ayes have it. The Traffic (Amendment) Bill, 2006 has been given a Second Reading.

**Agreed: The Traffic (Amendment) Bill, 2006 given a Second Reading.**

#### **The Motor Vehicle Insurance (Third Party Risks) (Amendment) Bill, 2006**

**The Speaker:** The Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

Madam Speaker, I beg to move the Second Reading of a Bill to Amend the Motor Vehicle Insurance (Third Party Risks) Law (2004 Revision) for the Purpose of Prescribing that an Applicant for a Vehicle Licence shall Produce a Certificate of Insurance in His Name, in the Name of an Insured who has Included the Applicant as a Driver of that Vehicle for Purposes of Insurance or in the Name of Both.

**The Speaker:** The motion for the Second Reading of the Bill has been duly moved and is now open for debate.

Does the Honourable Mover wish to speak thereto?

**Hon. V. Arden McLean:** Thank you, Madam Speaker.

Madam Speaker, this Bill seeks to amend section 6 of the Motor Vehicle Insurance (Third Party Risks) Law (2004 Revision) to require that persons licensing a vehicle in their name have to have insurance in their name or they are named on the insurance. Madam Speaker, there have been instances where people insure a vehicle, the rightful owner insures it and gets someone else to license it. At the time of any incidents, one will say that the vehicle is not owned by them, but certainly, because the Law says there is no need for one to produce a certificate in their name . . . I believe there is a policy in Cayman Brac which says that they have to produce it in their name, or it has been a convention that they ask for it.

Madam Speaker, section 6 of the principal Law says, "**A person applying for a licence in respect of a motor vehicle under the Traffic Law (2003 Revision) shall attach to the application a certificate of insurance or shall produce such evidence as may be prescribed by regulations that –**

- (a) on the date when the licence comes into operation there will be in force the necessary policy of insurance in relation to the user of the motor vehicle by the applicant or any other persons on his order or with his permission; or
- (b) the motor vehicle is a vehicle to which this Law does not apply."

Now, Madam Speaker, all this amendment is asking. . . clause 2 says, "The Motor Vehicle Insurance (Third Party Risks) (2004 Revision) is amended in section 6 by deleting the words "certificate of insurance" where they first occur and substituting the words "certificate of insurance in his name, in the name of an insured who has included the applicant as a driver of that vehicle for purposes of insurance or in the name of both".

Madam Speaker, there have been and there are instances where young drivers cannot get insurance or are cost prohibitive, so parents will put the insurance in their name and then add the child on, in

order for them to be able to drive. In a number of instances, the child is the owner of the vehicle so the parents could go and put the insurance in their name and allow the child to drive. What this Law is saying is that the child would have to be on the insurance to be able to licence the vehicle in the child's name.

Madam Speaker, I commend this short amendment to the House and seek honourable Members' support.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? If no other Member wishes to speak, does the Honourable Minister wish to exercise his right of reply?

**Hon. V. Arden McLean:** Thank you, Madam Speaker. I just would like to thank honourable Members for their support and look forward to the completion of the passage of this Bill in this honourable House.

**The Speaker:** The question is that a bill shortly entitled The Motor Vehicle Insurance (Third Party Risks) (Amendment) Bill, 2006, be given a Second Reading. All those in favour please say Aye. Those against No.

**Ayes and Abstention** [*Mrs. Juliana O'Connor-Conolly*].

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

**An Hon. Member:** A division.

**An Hon. Member:** A division.

**The Speaker:** The Motor Vehicle Insurance (Third Party Risks) (Amendment) Bill, 2006, has been given a Second Reading.

[*Inaudible comments*]

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

## COMMITTEE ON BILLS

**The Chairman:** The House is now in Committee. With the leave of the House, may I assume that as usual we should authorise the Honourable Second Official Member to correct minor errors and such the like in the Bills?

Would the Clerk read the clauses?

### The Evidence (Amendment) Bill, 2006

#### Clauses 1 and 2

**The Clerk:**

Clause 1  
Clause 2

Short title  
Amendment of section 33 – proof in criminal proceedings by written statements



**The Chairman:** The question is that clauses 1 and 2 do form part of the Bill. All those in favour please say Aye. Those against No.

**Ayes.**

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

**Agreed: Clauses 1 and 2 passed.**

**The Clerk:** A Bill for a Law to amend the Evidence Law (2004 Revision) and for incidental and connected purposes.

**The Chairman:** The question is that the Title do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Title passed.**

**The Traffic (Amendment) Bill, 2006**

**Clauses 1 and 2**

**The Clerk:**

Clause 1 Short title  
 Clause 2 Amendment of section 2 of the Traffic Law (2003 Revision) – definitions

**The Chairman:** The question is that clauses 1 and 2 do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clauses 1 and 2 passed.**

**Clause 3**

**The Clerk:** Clause 3 Amendment of section 8 – Registration plates.

**The Chairman:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** I wish to move the following amendment to the Traffic (Amendment) Bill, 2006, one by deleting clause 3 and substituting the following clause: "8. The principal Law is amended in section 8(2) by deleting the words "lost or destroyed" and substituting the words "lost, destroyed or rendered illegible"; and by inserting the following subsection: "(4) Where the Director is unable to issue permanent licence plates he may issue temporary licence plates of

such design and dimensions as he may determine but such plates shall not be issued for a period exceeding three months."

**The Chairman:** The amendment has been duly moved. Does any Member wish to speak thereto? If no Member wishes to speak, the question is that the amendment form part of the clause. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Amendment to clause 3 passed.**

**The Chairman:** The question is that clause 3, as amended, do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clause 3 as amended passed.**

**Clauses 4 through 20**

**The Clerk:**

Clause 4 Amendment of section 10 – termination of vehicle registration  
 Clause 5 Amendment of section 14 – commencement and duration of licences; rate of duty  
 Clause 6 Amendment of section 15 – continuous liability for suspension of vehicle licence  
 Clause 7 Amendment of section 38 – duration of licences  
 Clause 8 Amendment of section 52 – appointment of vehicle inspectors  
 Clause 9 Amendment of section 55 – annual inspection of vehicles  
 Clause 10 Amendment of section 71 – driving under the influence of alcohol or drugs  
 Clause 11 Amendment of section 72 – driving or being in charge of a motor vehicle while under the influence of alcohol or drugs and causing death  
 Clause 12 Amendment of section 73 – breath tests  
 Clause 13 Insertion of section 73A – drug tests  
 Clause 14 Amendment of section 74 – provision of specimens for analysis  
 Clause 15 Amendment of section 83 – ticket procedure  
 Clause 16 Insertion of section 104A – traffic wardens  
 Clause 17 Amendment of section 108 – disabled person's badge  
 Clause 18 Validation and saving of certain licences and licence plates  
 Clause 19 Validation of collection of certain licence fees  
 Clause 20 Previous and pending proceedings

**The Chairman:** The question is that clauses 4 through 20 do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clauses 4 through 20 passed.**

### **New Clause 3**

**The Clerk:** New Clause 3 Amendment of section 5 – the Register.

**The Chairman:** Honourable Minister responsible for Communication, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Chair.

Madam Chair, I beg to move that the new clause 3 be inserted after clause 2, and it reads:

“3. The principal Law is amended in section 5(1) by deleting the words “with serial registration numbers under the prescribed registration categories” and substituting the words “with such serial registration numbers, design and dimensions as the Director may determine” and that subsequent clauses be re-numbered accordingly.”

**The Clerk:** New Clause 3 Amendment of section 5 – the Register.

**The Chairman:** New clause 3 is deemed to have been read a first time. The question is that this clause be read a second time. Does any Member wish to speak thereto?

I guess I have to put that question over. The question is that this clause be read a second time. All those in favour please say Aye. Those against, No.

**Ayes.**

**Agreed: New clause 3 read a second time.**

**The Chairman:** The question is that this clause be added to the Bill as Clause No. 3 and that the subsequent clauses be renumbered accordingly. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: New clause 3 passed.**

### **New Clause 7**

**The Clerk:** New Clause 7.

**The Chairman:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Again, Madam Chair, I beg to move that the new clause be inserted after clause 6 and it reads: “7. The Traffic (Amendment) Law, 2005 is amended by repealing section 12 and that all subsequent clauses be renumbered accordingly.”

**The Clerk:** Repeal of section 12 of the Traffic (Amendment) Law, 2005 – Repeal and substitution of section 38 – Duration of licences.

**The Chairman:** The new clause is deemed to have been read a first time. The question is that this clause be read a second time. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: New clause 7 read a second time.**

**The Chairman:** The question is that this clause be added to the Bill as Clause No. 7 and that the subsequent clauses be numbered accordingly. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: New clause 7 passed.**

### **New clause 10**

**The Clerk:** New clause 10.

**The Chairman:** Honourable Minister responsible for Communication, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Chair.

Madam Chair, I move that a new clause 10 be inserted after clause 9 and it reads: “10. The principal Law is amended in section 70(b) by deleting the words “under section 68” and substituting the words “under section 68 or 69” and that subsequent clauses be renumbered accordingly.”

**The Clerk:** Amendment of section 70 – person charged with certain offences may be convicted of a lesser offence.

**The Chairman:** The new clause 10 is deemed to have been read a first time. The question is that this clause be read a second time. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clause 10 read a second time.**

**The Chairman:** The question is that this clause be added to the Bill as Clause No. 10 and that the subsequent clauses be renumbered.

**Hon. Samuel W. Bulgin:** Madam Chair, I was— [Inaudible].

**The Chairman:** I cannot hear you.

**Hon. Samuel W. Bulgin:** I was hoping, Madam Chair, for the benefit of the listening public just to explain the significance or the rationale behind this minor amendment, if you will allow me.

**The Chairman:** On the radio?

**Hon. V. Arden McLean:** On the Second Reading. You are doing the second now, right?

**The Chairman:** But I do not think the Committee stage of Bills is broadcast. Maybe the newspapers in the Gallery. . . Honourable Minister.

**Hon. V. Arden McLean:** Yes, Madam Chair. The Attorney General would like to explain the rationale for this, which the Commissioner of Police has requested and the Attorney General's prosecuting office has also requested.

**The Chairman:** Oh, I am sorry, I did not understand you, Honourable Attorney General.

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

Very briefly, the purpose behind this particular amendment is that as it currently stands, where a person is charged for causing death by dangerous or reckless driving, or causing death by any other means and the evidence itself is not enough or does not rise to that level where a court might want to convict a person for that offence, as it stands now, there is really no other verdict that a court can enter. Even though the court might be satisfied that a person was guilty of careless driving, the court will have to acquit a person in its entirety.

The purpose of this particular amendment is that if the court—if a person is charged for causing death by dangerous driving, causing death by reckless driving or just straight dangerous driving, and the court took the view that the evidence is insufficient to sustain those charges, but, nonetheless, rises to the level of careless driving, the court can convict the person for careless driving *simpliciter* and, hence, the reason for the amendment.

**The Chairman:** Does any other Member wish to speak? The question is that this clause be added to the Bill as Clause No. 10 and that the subsequent clauses be renumbered accordingly. All those in favour please say Aye. Those against, No.

**Agreed: New Clause 10 passed.**

### **New Clause 18**

**The Clerk:** New Clause 18.

**The Chairman:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Chair. I move that a new clause 18 be inserted following clause 17, and it reads: "18. The principal Law is amended in section 110(2) by inserting at the end of that subsection the words", but before the date of expiry of a licence any person responsible for issue of a driving licence may renew such licence or certificate, in which case the restriction contained in this section shall not apply.". and that subsequent clauses be renumbered accordingly."

**The Clerk:** Amendment of section 110 – offences and penalties relating to documents.

**The Chairman:** New clause 18 is deemed to have been read a first time. The question is that this clause be read a second time. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: New Clause 18 given a second reading.**

**The Chairman:** The question is that this clause be added to the Bill as Clause No. 18 and that subsequent clauses be renumbered accordingly. All those in favour please say Aye. Those against, No.

**Ayes.**

**Agreed. New Clause 18 passed.**

**The Chairman:** The question is that the Bill be reported to the House. All those in favour please say Aye. Those against, No.

**Ayes.**

**Agreed: Bill to be reported to the House.**

### **The Motor Vehicle Insurance (Third Party Risks) (Amendment) Bill, 2006**

#### **Clauses 1 and 2**

**The Clerk:**

Clause 1                      Short title

Clause 2 Amendment of section 6 of the Motor Vehicle Insurance (Third Party Risks) Law (2004 Revision) – production of certificate of insurance on application for motor vehicle licence.

**The Chairman:** The question is that clauses 1 and 2 do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clauses 1 and 2 passed.**

**The Clerk:** A Bill for a law to amend the Motor Vehicle Insurance (Third Party Risks) Law (2004 Revision) for the purpose of prescribing that an applicant for a vehicle licence shall produce a certificate of insurance in his name, in the name of an insured who has included the applicant as a driver of that vehicle for purposes of insurance or in the name of both.

**The Chairman:** The question is that the Title do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Title passed.**

**The Chairman:** I do not think that we put the question on the title of the Motor Vehicle Traffic—the Traffic (Amendment) Bill.

Out of an abundance of caution (as we have heard many times in these hallowed halls), we had better put the question on the title.

**The Clerk:** A Bill for a law to amend the Traffic Law (2003 Revision) to make certain provisions relating to the registration and licensing of motor vehicles; to make certain provision relating to disabled persons; to make provision for commercial entities to enforce traffic signs; to make breath tests and drug tests mandatory in certain cases; to validate certain actions taken purportedly under the traffic law and regulations made thereunder; and to make provision for incidental and connected matters.

**The Chairman:** The question is that the Title do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Title passed.**

**The Chairman:** The question on the Motor Vehicle Insurance (Third Party Risks) Law is that the Bill do be reported to the House. All those in favour please say Aye. Those against, No.

**Agreed: Bill to be reported to the House.**

**The Chairman:** Can I ask someone who is awake have we done the Evidence Law? *[Laughter]* I do not think so.

*[Inaudible comments by Members of the House]*

**The Chairman:** Honourable Attorney General, do you recall if the Clerk and the Chairman dealt with the Evidence Bill, because I do not.

**Hon. Samuel W. Bulgin:** No, Madam Chair.

**The Chairman:** The Clerk is saying that she thinks we dealt with it. Or did we do it another day?

**Hon. Samuel W. Bulgin:** Madam Chair, I just observed from our Financial Secretary that it was not done. It had not been done yet.

*[Inaudible comments]*

### The Evidence (Amendment) Bill, 2006

#### Clauses 1 and 2

**The Clerk:**

|          |                                                                                |
|----------|--------------------------------------------------------------------------------|
| Clause 1 | Short title                                                                    |
| Clause 2 | Amendment of section 33 – proof in criminal proceedings by written statements. |

**The Chairman:** The question is that clauses 1 and 2 do form part of the Bill. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Clauses 1 and 2 passed.**

**The Clerk:** A Bill for a law to amend the Evidence Law (2004 Revision) and for incidental and connected purposes.

**The Chairman:** The question is that the Title do form part of the Bill. All those in favour please say Aye. Those against No.

**Ayes.**

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

**Agreed: Title passed.**

**The Chairman:** The question is that the Bill do be reported to the House. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**Agreed: Bill to be reported to the House.**

**Hon. V. Arden McLean:** [Inaudible] the title?

**The Chairman:** She did the title.

**Hon. V. Arden McLean:** Oh, okay.

**The Chairman:** We are awake now. Both of us!

*[Laughter]*

**The Chairman:** Today has been a long day.  
That concludes proceedings in Committee.

### House Resumed

**The Speaker:** I did bow when no one was looking at me, so please be seated. Proceedings are resumed.

## REPORTS ON BILLS

### The Evidence (Amendment) Bill, 2006

**The Speaker:** The Honourable Second Official Member.

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

Madam Speaker, I beg to report that the Bill entitled The Evidence (Amendment) Bill, 2006, was considered by a Committee of the whole House and passed.

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

### The Traffic (Amendment) Bill, 2006

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.  
Madam Speaker, I have to report the Traffic (Amendment) Bill, 2006, was considered by a Committee of the whole House and passed with amendments.

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

### The Motor Vehicle Insurance (Third Party Risks) (Amendment) Bill, 2006

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker.  
Madam Speaker, I have to report that the Motor Vehicle Insurance (Third Party Risks) (Amendment) Bill, 2006, was considered by a Committee of the whole House and passed.

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

## THIRD READINGS

### The Supplementary Appropriation (July 2005 to July 2006) Bill, 2006

**The Speaker:** Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

Madam Speaker, I beg to move that a Bill entitled The Supplementary Appropriation (July 2005 to July 2006) Bill, 2006, be given a third reading and passed.

**The Speaker:** The question is that a Bill shortly entitled The Supplementary Appropriation (July 2005 to July 2006) Bill, 2006 be given a third reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

**Agreed: The Supplementary Appropriation (July 2005 to July 2006) Bill, 2006, given a third reading and passed.**

### The Evidence (Amendment) Bill, 2006

**The Speaker:** Honourable Second Official Member.

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

Madam Speaker, I beg to move that a Bill entitled The Evidence (Amendment) Bill, 2006, be given a third reading and passed.

**The Speaker:** The question is that a Bill shortly entitled The Evidence (Amendment) Bill, 2006, be given a third reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

**The Speaker:** The Ayes have it. The Evidence (Amendment) Bill, 2006, has been given a third reading and is passed.

**Agreed: The Evidence (Amendment) Bill, 2006 given a third reading and passed.**

#### **The Traffic (Amendment) Bill, 2006**

**The Speaker:** The Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker. Madam Speaker, I beg to move that the Traffic (Amendment) Bill, 2006, be given a third reading and passed.

**The Speaker:** The question is that a Bill shortly entitled the Traffic (Amendment) Bill, 2006, be given a third reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

**The Speaker:** The Ayes have it. The Traffic (Amendment) Bill, 2006, has been given a third reading and is passed.

**Agreed: The Traffic (Amendment) Bill, 2006 given a third reading and passed.**

#### **The Motor Vehicle Insurance (Third Party Risks) (Amendment) Bill, 2006**

**The Speaker:** Honourable Minister responsible for Communications, Works and Infrastructure.

**Hon. V. Arden McLean:** Thank you, Madam Speaker. Madam Speaker, I beg to move that The Motor Vehicle Insurance (Third Party Risks) (Amendment) Bill, 2006, be given a third reading and passed.

**The Speaker:** The question is that a Bill shortly entitled The Motor Vehicle Insurance (Third Party Risks) (Amendment) Bill, 2006, be given a third reading and passed. All those in favour please say Aye. Those against, No.

**Ayes.**

**The Speaker:** The Ayes have it. The Motor Vehicle Insurance (Third Party Risks) (Amendment) Bill, 2006, has been given a third reading and is passed.

**Agreed: The Motor Vehicle Insurance (Third Party Risks) (Amendment) Bill, 2006 given a third reading and passed.**

## **GOVERNMENT BUSINESS**

## **MOTIONS**

### **Government Motion No. 9/05-06 Issuance of a Government Guarantee in respect of additional borrowing by Cayman Turtle Farm (1983) Limited**

**The Speaker:** Honourable Third Official Member responsible for Finance and Economics—may I ask a question of the Honourable Leader of Government Business. It is the intention to complete the debate on this motion tonight?

*[Inaudible response]*

**The Speaker:** Honourable Third Official Member.

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker.

Madam Speaker, I beg to move Government Motion No. 9 of 2006, which is captioned "Issuance of a Guarantee in Respect of Additional Borrowing by Cayman Turtle Farm (1983) Limited" and, Madam Speaker, with your permission I would like to read the body of the motion. It reads:

**WHEREAS in December 2003, the Governor in Cabinet and Finance Committee authorised the issuance of a Government guarantee to a bank or other financial institution on behalf of Cayman Turtle Farm (1983) Limited, in the amount of CI\$36.6 million to raise a loan through a direct obligation private placement bond;**

**AND WHEREAS in December 2003, the Governor in Cabinet and Finance Committee authorized the issuance of a second guarantee to a bank or other financial institution on behalf of Cayman Turtle Farm (1983) Limited, in the amount of \$2.2 million to facilitate the necessary short-term loan liquidity lines of credit;**

**AND WHEREAS in March 2006, the Governor in Cabinet approved of the request for an additional guarantee of an amount not to exceed US\$5 million for the Cayman Turtle Farm (1983) Limited to provide financing for additional direct construction costs and to meet current operational needs as a result of a six-month delay in the grand opening of Boatswain's Beach post Hurricane Ivan;**

**AND WHEREAS section 8 of the Public Management and Finance Law (2005 Revision) provides that, as a general rule, no guarantee may be given by or on behalf of the Government, unless it has been authorised by a resolution of the Legislative Assembly;**

**BE IT NOW THEREFORE RESOLVED that the Legislative Assembly hereby authorises the issuance of a Government guarantee to a bank or other financial institution for an amount not to exceed US\$5 million in respect of the financing needs of Cayman Turtle Farm (1983) Limited, to fund additional, direct construction costs and to**

**meet current operational needs as a result of a six-month delay in the grand opening of Boat-swain's Beach post Hurricane Ivan.**

**The Speaker:** Government Motion No. 9/05 (I assume 2005/06) has been duly moved and is open for debate. Does the Honourable mover wish to speak?

**Hon. G. Kenneth Jefferson:** Yes, thank you, Madam Speaker.

Madam Speaker, the Cayman Turtle Farm is currently engaged in a master redevelopment program, which was originally slated for completion in January 2006. However, significant delays have been caused by the impact of the 2004 and 2005 hurricane seasons which saw the Cayman Islands affected by a number of major hurricanes and tropical systems, most notable of which was Hurricane Ivan in 2004.

Also, the Farm's budget has been impacted due, in part, to the delay in opening, but also due to an increase in the cost of raw materials, the logistical issues of shipment and delivery of material and the restricted supply of both skilled and unskilled labour. The project, Madam Speaker, is now over 70 per cent completed. An additional US\$5 million is being sought to assist in the completion of the project which is expected to occur by June 2006.

Of the additional amount of US\$5 million, a sum of US\$3.7 million is required to complete the capital redevelopment, while the remaining US\$1.3 million is required to fund operational expenses through to December 2006. The delayed opening of Boat-swain's Beach has negatively impacted the cash flow of the Farm both from the requirements for the additional capital outlay and the recurring expenditure for the Farm's core business. The cost of operating the core business has increased in light of the additional human capital that has been contracted in preparation for operating the new facility to higher standards.

Upon completion this facility will encompass over 24 acres and will feature a 1.3 million gallon snorkel lagoon, a fresh water themed pool, a predator tank, an education centre, a free-flight aviary, an iguana exhibit, tidal pools, 18 independently operated retail kiosks, an historic Cayman Street with local artisans, a number of food and beverage outlets, a nature trail and the world renowned Cayman Turtle Farm.

Madam Speaker, honourable Members might quite rightly ponder what the financial implications are of this guarantee request on Government's ability to borrow for its own needs. Madam Speaker, this guarantee would affect the borrowing ratio that is known as the Net Debt Ratio. The Net Debt Ratio is the total amount of Government's own debt, plus a risk-weighted proportion of Statutory Authorities' and Government Companies' debt that have been guaranteed by the Government less the Government's cash reserves. That resulting figure is then expressed as a percentage of Government's revenue. The Public

Management and Finance Law states that this ratio cannot exceed 80 per cent.

At present, the Government is comfortably below this ceiling; the Net Debt Ratio, prior to the introduction of this item, is expected to be 64.4 per cent at 30<sup>th</sup> June 2006, which is well below the 80 per cent ceiling. The risk-weight percentage applied to any borrowings made by Cayman Turtle Farm that the Government guarantees is 20 per cent. Applying a 20 per cent risk-weight to a borrowing of US\$5 million produces a result of US\$1 million that would have to be brought into the Net Debt calculation.

Given that the revenue of the Government for its year to 30<sup>th</sup> June 2006 is expected to be C1\$380 million, adding US\$1 million to the numerator when the denominator \$380 million produces a negligible increase, less than one per cent—approximately 0.26 per cent—will have to be added to the Net Debt Ratio. The proposed guarantee therefore, Madam Speaker, will not have an adverse affect on the Government's ability to borrow for its own needs.

Madam Speaker, the Farm too has done its own analysis and projections and is confident of its ability to service its existing obligations and the proposed additional borrowing of \$5 million.

Madam Speaker, in a much summarised format, the following information is relevant to the Boat-swain's Beach project and is therefore relevant to this Motion:

- The Farm's analysis and projections that were undertaken to determine whether the Farm would be able to meet its debt obligations, including the one now being discussed, were based on two key components: (1) that the number of visitors to the Boat-swain's Beach project at the Farm will be 495,000 visitors per year; and (2) that the per capita spending of visitors to the project will be US\$55.

The question will therefore naturally arise, Madam Speaker, as to whether 495,000 visitors per year are realistic.

Madam Speaker, that number of visitors is realistic when viewed in relation to the number of visitors to the Cayman Islands on an annual basis. Just commenting on the number of cruise ship visitors, there were 1.8 million cruise ship visitors to the Cayman Islands in 2005, and if we went back to 2004 the figure was 1.7 million, and in 2003 the figure was 1.8 million visitors by cruise ship arrivals. Madam Speaker, during the month of January 2006, the number of cruise ship arrivals was 211,678 and that was a record month for January, even if we went back as far as the year 2000. So if January 2006 is an indication for the rest of 2006, we might well see that particular year exceeding (2006) the 1.8 million cruise ship arrivals in 2005.

Madam Speaker, therefore, the Farm's projections of 495,000 visitors per year to the project at the Farm is quite a reasonable projection. It represents just 27.5 per cent of that 1.8 million visitor total, or about one in four cruise ship arrivals being projected

to visit the Boatswain's Beach project. One in four, Madam Speaker, seems quite conservative.

Madam Speaker, on the question as to whether the US \$55 per capita spending level is realistic, this is best judged in relation to the many features that visitors will experience at the Boatswain's Beach project. These are: a snorkel lagoon, a fresh water themed pool, a predator tank, an educational centre, a free-flight aviary, an iguana exhibit, tidal pools and a historic Cayman Street with local artisans. This large number of features, Madam Speaker, I would submit, would make the per capita spending level by visitors of US \$55 quite reasonable.

Moreover, the Farm has already signed agreements with three cruise lines whereby those lines will offer the Boatswain's Beach project as a package. Negotiations are in progress with two other cruise lines.

Madam Speaker, some other information:

- The requested US \$5 million is to take the form of a ten-year loan from a local bank;
- The indicative interest rate on the loan is 1 per cent above prime rate.
- Monthly repayments will commence in the year 2006/7—that is the year starting on 1<sup>st</sup> July 2006—and will be approximately US \$60,000 per month. That is inclusive of both principal and interest.
- The value of the Boatswain's Beach project, upon completion, will be approximately US \$49.9 million.

Madam Speaker, the Cayman Turtle Farm and the Government are confident that the proposed additional financing sought of US \$5 million, along with the existing obligations of the farm, are affordable. Accordingly, Madam Speaker, I commend this Government Motion to all honourable Members of the House and ask that they give it their support. Thank you, Madam Speaker.

**The Speaker:** Does any other Member wish to speak? Does any other Member wish to speak? If not other Member wishes to speak, does the mover wish to exercise his right of reply?

**Hon. G. Kenneth Jefferson:** Thank you, Madam Speaker, just to say thanks to all honourable Members for their support of the Government Motion. Thank you.

**The Speaker:** The question is: BE IT NOW THEREFORE RESOLVED that the Legislative Assembly hereby authorises the issuance of a Government guarantee to a bank or other financial institution for an amount not to exceed US\$5 million in respect of the financing needs of Cayman Turtle Farm (1983) Limited, to fund additional, direct construction costs and to meet current operational needs as a result of a six-

month delay in the grand opening of Boatswain's Beach post Hurricane Ivan.

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

**Ayes.**

**The Speaker:** The Ayes have it. Government Motion No. 9/05-06 has been passed.

**Agreed: Government Motion No. 9/05-06 passed.**

**Hon. Charles E. Clifford:** Madam Speaker...

**The Speaker:** Honourable Minister responsible for Tourism.

**Hon. Charles E. Clifford:** Sorry, Madam Speaker. Can we have a division on that, please?

**The Speaker:** Honourable Minister, you have the right to challenge the Speaker to request a division, even though I heard all Ayes, under your Standing Orders.

Madam Clerk, would you please call a division?

*[Inaudible comments]*

**The Clerk:**

**Division No. 07/05**

**Ayes: 13**

**Noes: 0**

Hon. D. Kurt Tibbetts  
 Hon. Alden M. McLaughlin, Jr.  
 Hon. Anthony S. Eden  
 Hon. V. Arden McLean  
 Hon. Charles E. Clifford  
 Hon. George A. McCarthy  
 Hon. Samuel W. Bulgin  
 Hon. G. Kenneth Jefferson  
 Ms. Lucille D. Seymour  
 Mr. W. Alfonso Wright  
 Mr. Osbourne V. Bodden  
 Mr. Rolston M. Anglin  
 Mrs. Juliana Y. O'Connor Connolly

**Absent: 4**

Mr. Moses Kirkconnell  
 Hon. W. McKeever Bush  
 Mr. Cline A. Glidden  
 Capt. A. Eugene Ebanks

**The Speaker:** The result of the division is 13 Ayes.

*[Inaudible comments]*

**The Speaker:** Well, Honourable Minister, certainly if you have no Noes and there are 18 Members in Parliament, one sits here, and you have 13 saying Aye and nothing else, the other ones are not here!

*[Inaudible comments]*



**The Speaker:** Before I ask for the motion for the adjournment of this Honourable Parliament, Legislative Assembly, I have given the First Official Member the right to make a short statement, because I think this morning on that parliamentary question there were some things that the Second Elected Member for the district of West Bay brought to the attention of this honourable House, and if true, there is a serious breach and persons can be held in contempt of the Legislative Assembly. So I think it is only right that the Honourable First Official Member make this statement.

*[Inaudible comments]*

## STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF THE CABINET

### Statement in Regard to Parliamentary Question 83

**Hon. George A. McCarthy:** Thank you, Madam Speaker.

Madam Speaker, I undertook this morning to make a statement to this honourable House in regards to Parliamentary Question 83 on the subject of who has been released from Northward on parole since the elections of May 2005.

First, Madam Speaker, let me say that I spoke to the Second Elected Member for West Bay in regard to the two inmates which he thought could have been released on parole, but might have been omitted from the list that was circulated to honourable Members this morning.

The Portfolio of Internal and External Affairs has requested information on these two persons from the prison authorities and the parole board. The position is that neither of these two persons were released on parole. However, they have been released from Northward in the last two months. This highlights the fact, Madam Speaker, that inmates are released from prison in several ways: some are released because they have served two-thirds of their sentence and by law must be released. One of the two persons falls into this category.

Some prisoners are sentenced to 18 months or less and can be released after serving 50 per cent of their sentence at the discretion of the prison's director. The other person actually falls into this category.

Inmates in these two categories do not appear before the parole board. While they are released they are not actually released on parole, that is, under a parole licence which can be revoked if the licence is breached, in which case the parolee is returned to the prison.

Second, Madam Speaker, I need to offer an apology to this House that the attachment circulated this morning was not complete. This occurred, Madam Speaker, through an administrative oversight within

the Portfolio. The list received from the prison came in two parts, and one part was omitted when the answer to the substantive question was being prepared. The total number of parolees is actually ten rather than seven. However, please allow me to note, Madam Speaker, that none of the three new names—the last three names on the list now being circulated (this has been handed, Madam Speaker, to the Clerk and Honourable Members will see the list when they receive it)—are . . . let me just start over with this paragraph, Madam Speaker.

Second, Madam Speaker, I need to offer an apology to this honourable House that the attachment circulated this morning was not complete. The occurred, Madam Speaker, through an administrative oversight within the Portfolio. The list received from the prison came in two parts and one part was omitted when the answer to the substantive question was being prepared. The total number of parolees is actually ten rather than seven. However, please allow me to note that none of the three new names—the last three on the list now being circulated—are the names of the two individuals about whom the Second Elected Member for West Bay expressed concern this morning.

Again, Madam Speaker, I would ask honourable Members to accept my apologies for this administrative oversight. Thank you, Madam Speaker, for the opportunity to make this clarifying statement.

## ADJOURNMENT

**The Speaker:** I will entertain a motion for the adjournment of this Honourable House.

Honourable Leader of Government Business.

**Hon. D. Kurt Tibbetts:** Thank you, Madam Speaker. On behalf of the Members I would like to say a special thank you for your patience, and also to staff for being willing to spend the necessary longer hours for us to get through this meeting as timely as we have.

Madam Speaker, the other one thing I just wish to quickly point out to Members is that there may be a few questions, I am certain there are not many but there may be just a few questions which may not have been answered. If Members desire, they will have to resubmit the questions for the next meeting unless they are quite satisfied with the answers in writing. The Government is quite prepared, outside of the Chambers, to hear from them in which way they would like the questions answered.

Madam Speaker, as it is the last meeting for the year, I move—

**The Speaker:** Honourable Leader of Government Business, I think you need to explain to the Opposition Members that the reason why they would have to resubmit their questions is because the House is going to be prorogued shortly so they would have to resubmit them when the House comes back.

**Hon. D. Kurt Tibbetts:** Thank you for the clarification, Madam Speaker. I assumed, forgive me.

Madam Speaker, I move the adjournment of this honourable Legislative Assembly sine die.

**The Speaker:** The question is that this honourable House do now adjourn sine die. All those in favour please say Aye. Those against, No.

**Ayes.**

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

**At 6.47 pm the House stood adjourned sine die.**